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KUWAIT

OIL MINISTER COMMENTS ON BLUMENTHAL TOUR

PA160128Y Paris AFP in English 0121 GMT 16 Nov 78 PA

[Text] Caracas, Nov 15 (AFP)--Arab countries do not negotiate on oil prices with any nation in the world, including the United States, Kuwaiti oil minister 'Ali al-Khalifah as-Sabah said here today.

In a brief comment on the current Mideast tour by U.S. Treasury Secretary Michael Blumenthal, who is reportedly exerting pressure on oil producers there to keep prices frozen, Shaykh as-Sabah said that such a decision "is exclusively the affair of the members of the Organization of Petroleum Exporting Countries " (OPEC), of which he is the head.

The shaykh said he had no official information about the position of Saudi Oil Minister Zaki Yamani, who has suggested a continued freeze on export oil prices, but added that Kuwait "definitely does not agree with freezing oil prices."

He added that he favored increases in oil prices every three months of 2.5 to four percent so that the world economy could easily absorb the increases.

OPEC is to hold a meeting in December to decide on oil prices beginning Jan 1. Most observers now expect an increase of at least five to 10 percent. The basic reference price for light Arabian crude is now 12.70 dollars a barrel.

SAUDI ARABIA

ANSA: YAMANI CALLS OIL PRICE RISE 'INEVITABLE'

AU151654Y Rome ANSA in English 1542 GMT 15 Nov 78 AU

[Text] Paris, November 15 (ANSA)--A new rise in the price of oil is inevitable because of the reduction in the oil producers' income due to world inflation, according to Saudi Arabian Oil Minister Ahmad Zaki Yamani. But, speaking in a debate in the French "Antenne-Two" television station last night, the Saudi oil chief said he would be working for a moderate policy to avoid the "too brutal" price increases demanded by other members of the Organization of Petroleum Exporting Countries (OPEC).

"The coming increases in the price of oil must be put into effect in small doses in order not to disturb the world economy," Yamani urged. He added that progressive, but moderate rises in the price of oil would also have the positive effect of encouraging the Western consumers to reduce their consumption and concentrate their efforts on the search for alternative energy sources.

The only way of avoiding a catastrophic crisis in the eighties was for the oil importers to develop alternative energy sources since oil will become increasingly rare, he added.

"If adequate measures are not taken, we will finish by killing each other for control of the wells, for the last barrels of oil. It is still possible to avoid the crisis looming on the horizon, but the path to follow is very narrow."

French Industry Minister Andre Giraud, who also took part in the debate, said he agreed with Yamani's analysis. Giraud added that thoughtlessness in energy matters was now a matter of the past. But he also warned that the whole world must seek solutions implying great solidarity, planning, and international cooperation.

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ARABIAN PENINSULA

YEMEN--PDRY

'ALI NASIR MUHAMMAD CHAIRS ELECTION COMMITTEE 15 NOV

LD151614Y Aden Domestic Service in Arabic 1230 GMT 15 Nov 78 LD/EA

[Text] Brother 'Ali Nasir Muhammad, member of the Political Bureau and chairman of the Presidential Council and the Council of Ministers, this morning chaired a meeting of the Supreme Consultative Committee for the elections of the People's Supreme Council and secretaries of the governorates. The procedures to be applied to the next stage of the election committee's work were approved at the meeting.

EDITORIAL CLAIMS U.S. 'UNABLE TO RESUSCITATE' YAR

LD151632Y Aden Domestic Service in Arabic 1230 GMT 15 Nov 78 LD/EA

[Text] The paper 14 OCTOBER has said that the bloody terrorist San'a' regime has become helpless despite its destructive campaigns, ugly acts and daily outrages against patriots and innocent citizens.

In its editorial today, the paper stresses that the United States and reaction--the traditional enemies of the Yemeni people--will be unable to resuscitate the dying San'a' regime, because popular eruptions have become too strong to be curbed since matters have come to a head. Those of the San'a' regime who are wallowing in the mud of treason to the homeland are beyond redemption.

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E G Y P T

D 1

VICE PRESIDENT HOLDS PRESS CONFERENCE IN PARIS

NC151643Y Cairo MENA in Arabic 1510 GMT 15 Nov 78 NC

[Text] Paris, 15 November--Vice President Husni Mubarak has emphasized that Egypt is not considering either a separate solution or concluding a separate agreement. He said that Egypt does not change its principles, because they are basic principles.

He said: Since we are seeking a lasting and not a temporary peace, the Palestinian problem must be solved, because it is the core of the issue. Withdrawal only from Sinai while disregarding the Palestinian problem, which has existed for 30 years, will further complicate the issue.

At a press conference before leaving Charles de Gaulle Airport for Washington today, Husni Mubarak stressed that Egypt is insisting on the need to link the Egyptian-Israeli agreement with the comprehensive solution. He said that this linkage is in complete conformity with the provisions and essence of the Camp David agreements.

Husni Mubarak categorically denied that Egypt has presented a proposal for restoring Egyptian administration in Gaza.

He said: If we sometimes talk about the problem of the Gaza sector, it is only because the sector was under Egyptian administration before the 1967 war. However, this does not mean that we talk about Gaza and ignore the West Bank. When we talk about linking Gaza and the West Bank, we mean the unity of the Palestinian soil which is stipulated in the Camp David agreement.

Husni Mubarak said that since the negotiations started in Washington, the world and Israel have been aware that the basis of the Middle East issue is the Palestinian problem.

He said: This does not require clarification. The world has been aware of this for the past 30 years. We said earlier, at the start of the Washington discussions, that there must be a relationship between withdrawal from Sinai and the problem of the West Bank and Gaza and [word indistinct] is part of the comprehensive solution of the issue.

Husni Mubarak explained: Simultaneous discussions are taking place to solve the problem between Egypt and Israel and the problem of the West Bank and Gaza. This is nothing new to us; we have been repeating it since the start of the negotiations in Washington.

Asked if he is carrying new proposals for the U.S. President or a reply to the U.S. proposals to overcome the crisis facing the negotiations in Washington, the vice president said: There is nothing new. Our principles remain the same. The question is one of principles and the Israelis and the Americans are aware of these principles.

Regarding his task in Washington, Husni Mubarak said: I am going to the United States to explain in detail to President Carter our position regarding the problem and to provide him with more details and clarifications.

Since we are seeking a lasting and not a temporary peace, the Palestinian problem must be solved. The Palestinian problem has existed for 30 years. Therefore, can we just say after these 30 years: Let us solve the problem of Sinai now and leave the Palestinian problem?

In his reply, Husni Mubarak demanded that there be realistic thinking. He said: We seek a just, lasting solution and to live with you in peace. We must not forget that the Palestinian problem, not the Golan or Sinai, is the core of the problem.

Asked whether he is optimistic, the vice president said: I am optimistic by nature. He emphasized that [words indistinct] there are no new proposals and that Egypt stands by its principles, which have not changed since the start of the negotiations. Therefore, I am going to Washington to hold discussions with President Carter and to present our view to him in greater detail.

Asked his opinion about the date the Egyptian-Israeli treaty will be signed, Husni Mubarak said: The signing will depend on reaching a just agreement. If we reach a just agreement, what is there to prevent the signing of a treaty? We seek peace. Addressing the Israeli radio correspondent, the vice president said: It appears that you want only peace, while peace can only be achieved through reaching a just agreement.

MINISTER GHALI RETURNS TO CAIRO, MAKES STATEMENT

NC152208Y Cairo Domestic Service in Arabic 2100 GMT 15 Nov 78 NC

[Text] Minister of State for Foreign Affairs Dr Butrus Ghali returned to Cairo this evening. He said that he will present a report to President Anwar as-Sadat on the negotiations in Washington. He added that he presented a report to Vice President Muhammad Husni Mubarak when Mubarak stopped in Paris today.

His excellency added that the main problem in the Egyptian-Israeli negotiations is that of linking the Egyptian-Israeli treaty with the comprehensive solution; that is, the measures which must be taken in Gaza and the West Bank to achieve the legitimate rights of the Palestinian people.

Dr Butrus Ghali said that the Egyptian-Israeli negotiations are continuing at the military level and at the level of some technical committees. He said that Egypt's position on the subject of the petroleum is clear and has been communicated to the Israeli side; that is, refusal to give any concession that would jeopardize Egyptian sovereignty.

Replying to a question on the obstacles facing the negotiations, Dr Butrus Ghali said that the difficult and sensitive matters are usually left for the last phase. He added that Egypt believes in the unity of the Palestinian soil and is demanding unity of the Gaza and West Bank issues. If a difference exists between Gaza and the West Bank, it is merely a difference in timing and has no connection with the general principles or the measures which must be applied.

His excellency said that the Egyptian position has been clear since the start of the negotiations. This position is adherence to the Camp David principles.

Regarding the U.S. role, Dr Butrus Ghali said that the U.S. role is basic and fundamental, in addition to the fact that the United States is a full partner, is playing a constructive conciliatory role and is helping the two sides to overcome all difficulties. He said that the Egyptian delegation has not been informed officially of the Israeli Government's rejection of the linkage idea. There is approval of the principle of linkage, but the difference is on the methods which must be followed to consolidate and clarify this linkage.

He said that there are plans which are being studied. The dynamics of solution require the submission of plans and proposals. Dr Butrus Ghali concluded his statement by saying that the provisions reached must be drafted. There are technical problems and the committees are continuing their discussions to overcome these problems.

AS-SADAT SPEAKS TO STAFF OF SUEZ UNIVERSITY 15 NOV

NC151617X Cairo Domestic Service in Arabic 1850 GMT 15 Nov 78 NC

[15 November speech in Ismailia by President Anwar as-Sadat to Suez University staff and student unions' representatives from Ismailia, Suez, Port Said and Sinai--recorded]

[Text] Sons and daughters, I am always happy when I meet with you on the soil of Ismailia and at the university of which we are proud because, as I told you during my previous visit, it is the young university in every way. I want it and its sons to set an example in conduct to all our young. This is, first, because you are the October generation and, second, because you also live on the land of honor and of battles. Your university has branches throughout the canal area, and God willing, it will very soon have branches in all Sinai.

It is really good to hear from the president of the university about all these achievements in such a short time since we last met. I always want the university to set the pace in serving the environment, in all aspects of our life.

As you know, I have named three goals for the next phase: The first is to build peace; the second, to build democracy; and the third, to build prosperity. We will not be able to achieve these objectives unless we all change our outlook--in the universities, in the general education schools and in all walks of life. Unless we change the old ways and proceed, beyond any limits, to promote peace, democracy and prosperity, we will not be able to make up for the long lost time.

When it comes to establishing peace--as my son who has just spoken said--I want to tell you that, as you have noticed recently, we pay no attention to this emotionalism and these attacks, outbiddings and profiteering and outbidding since 1948. What was the result? It is now 1978. The problem began in 1948. We are now in 1978. Some 30 years of profiteering, outbiddings and heroics over the microphones. In the beginning this was done in the name of Palestine and then the Golan and then Sinai.

As you have heard, there are some who are now angrily calling for the transfer of the Arab League headquarters. Well, by God, if the transfer of the league would bring these people back to their senses, make them aware of current realities and make them speak the language of the time so that we might not lag behind and so that we might not deceive our people; if the aim of transferring the Arab League headquarters is to achieve all this and regain the territory, by God I will carry it on my shoulders to any place they like.

My problem with this group of leaders or those who call themselves leaders in the Arab nation--my problem with them is that they want outbiddings and I do not outbid. They trade and I do not trade. All their actions are devoted to preserving their positions and my only aim is to realize the aims of my country and people. My problem with them is that all their actions are motivated by their instincts and it has become clear to all of us that they are low instincts.

They spoke about a separate agreement between the United States and me and Israel. They repeated this during the first disengagement in 1974, the second disengagement in 1975, the initiative in 1977 and the Camp David summit in 1978. They saw things and learned nothing over a period of 4 years or more after the first disengagement, the second disengagement, the initiative or the Camp David summit. Each time, they said that there was a secret agreement and that there were agreements that the Egyptian people and the Arab nation have not seen and therefore, they are, by their unique genius, exposing this to the Arab nation.

It has not been proved that there was a single secret agreement in the first disengagement, second disengagement, initiative or at Camp David. What is regrettable is that they do not learn from the past. They laugh at their people. Regarding respect for the people's opinions, you all know that the rejectionist states and those who rotate in their orbit, including the states which have been attempting to take a moderate stand--even they have followed the current--do not give their people freedom. They put their people in detention camps and prisons and physically liquidate them every day and every hour. Physical liquidation is exercised daily in Iraq, Syria, Libya and Algeria. They do not believe in democracy, they do not respect the will of their peoples. Therefore, they believe that we are like them and that we laugh at our people and do not inform them of any agreements which might be secret. I am tired of telling them that there is constant confidence between me and my people because we are living one of the most magnificent and glorious stages of our contemporary history. Everything is put to the people in complete frankness. There are not nor will there ever be detention camps, prisons or violation of man's dignity. The supremacy of the law is a fence protecting all the actions of the rulers and the ruled.

In view of this, when I come to my people and say that this is what I have achieved, my people know that this is actually what I have done. I also know that my people realize that if there are agreements, be they secret or not, then it is their right to know about them. Therefore, I feel reassured and so do my people. How can I make them hear this? How can I convince them that the people and the leadership in Egypt are one man, that they have a common aim and stand in one rank, that we are living the battle of democracy, the sovereignty of the people and the supremacy of the law and that nothing is hidden from our people, whereas they hide things from their people and plot against their peoples and against each other? How can I convince them? There is no way.

My problem with them is that they do not know that Egypt is now living the most magnificent days in its history and that it is building peace, democracy and prosperity. It is building peace so that our future generations and youth will face no obstacles and so that there will be no shortcomings in building this country as a result of endless battles which were intended to drain all our resources.

How can they grasp the fact that by building peace today we are building for future generations, and entering this century through its biggest doors? We are building a structure based on the latest in modern technology, instead of leaving all our people to ignorance or backwardness as they are doing to their people. How can we convince them of this? We do not want to be backward and we do not want to be living the last part of the 20th century with a medieval mentality. This is impossible.

We must make up for all that we have missed. How can I convince them that outbidding, profiteering, slogans and the war of the microphones are useless and cannot provide food for the people nor solve the people's problems, and that this is why we are establishing peace and democracy? We are building for our sons here on this good and blessed land of Egypt as we have always done. The 23 July revolution was the flame which gave light to the Arab nation as well as this whole area and many other areas in the world. It was the flame of the freedom and will of nations.

Furthermore, as we build peace now, from this good land emanates the flame of freedom, democracy, dignity and glory of man, as we draw away from or eliminate all that is in conflict with the dignity of man.

How can we convince them of this while they torture their people in the prisons and detention camps and while they rule their people with complete dictatorship and while they treat their people with contempt, as if people were just worthless numbers? How can we explain to them that here in Egypt we are building democracy by the will of our people, that we uphold the will of our people, and that after these long centuries and having established an independent will of our own and having achieved our freedom and independence, we uphold the dignity of man? How can we explain to them that the Egyptian man is the reason for every progress and construction? How can we convince them of this? It is sufficient that we give bliss to our people and that everyone in Egypt today is aware of the political and military battles of his homeland. Everyone in Egypt is fully aware of the battles, because no facts are kept from our people, not at all. Everything is put to our people in every detail; both the mistakes and the achievements are put to the people and it is the people who make the decision.

They cannot comprehend that this is the phase we are living now. I cannot convince them that I do not hide anything from my people and that my people do not hide anything from me. We are engaged in the battle of full reconstruction, together, not as ruler and ruled but as people. Both the leadership and the people are shouldering the burden and assuming the responsibility of establishing peace. They cannot imagine that there are no secret agreements. I try to convince them in vain that this is neither Egypt's method nor my method nor the method of my country, kin and people. They insist that there must be secret agreements since the United States has promised Egypt money. They have a sick way and a sick mind. We do not keep the facts from our people because the people are simply the first and last authority in this country, and democracy and the dignity of man are the safety valves in this country.

There are no secret agreements because we are not treacherous like them. I tell my people everything and put everything to them. This is why we have this mutual confidence as ruler and subjects. There is absolutely no difference between us. Why should we hide any fact from our people? They cannot understand this.

Why should our objective be to agree in return for a sum of money, as their sick minds imagine? I do not know how to resolve the issue with them, regrettably. They have tried and finally, as you remember, while they were meeting in Baghdad, they sent a delegation to promise to give Egypt billions to sell its decision and its will. I then told them before the world that all the billions in the world and all the gold in the world will not buy Egypt's decision, Egypt's ethics, Egypt's honor or Egypt's dignity.

They sell their people everyday by the extraordinary measures, by physical liquidation, by detention camps and by humiliating the dignity of their people. Here, in Egypt we do not do that. We have rejected this since the July 1952 revolution erupted and achieved free will for us and free and independent decision for Egypt.

After more than 2,000 years of foreign rule, Egypt, immediately after the 23 July revolution, regained its decision and its will and reestablished the identity it had for thousands of years--the identity of a state which had a civilization and history before there was a state in this world, 7,000 years ago. Egypt had the first government, on the banks of the Nile, 7,000 years ago, before anything called government existed in the world.

Egypt returned to its people and Egypt regained its identity. How can I convince them that we [word indistinct] and that we appraise man by his principles and ethics, not by his money and rank? How can I convince them of this? They do not believe in this because they still practice treason and treachery against their people. They still trade in the destinies of their people. How can I convince them that we, here in Egypt, do not do this kind of trading and that all the gold in the world cannot make us respect a man without values? How can I convince them, therefore, to build peace? For this reason, there is a complete disruption of communications. When they meet in Baghdad and decide, in a convulsive and offensive manner, to transfer the Arab League and to boycott Egypt or isolate Egypt, it really prompts us Egyptians to ridicule them.

As you have heard me say, no force, Arab or otherwise, can isolate Egypt. On the contrary, it is Egypt which can isolate. No force, Arab or otherwise, can isolate Egypt or transfer the Arab League. As I have told you, by God, I have no objection whatsoever to taking it to them if by doing so there will be a solution to their sick and convulsive minds. If by doing so there will be a solution to the Arab problem, please come and take it.

Very simply and very calmly, however, we reject this. The state of affairs they want to impose on us by convulsion and by disavowal of the simplest principles of knowledge in this era and by disavowal of the Arab causes through childish, material and emotional behavior, we say no. Egypt reached the age of maturity a long time ago. Egypt reached the age of wisdom and sagacity a long time ago. Egypt will never revert to childish thinking or childish toying with the destinies of peoples as they want us to. If this is the state of affairs they seek, then let them have it; we will not.

Sons and daughters, I will now complete for you the picture about the building of peace. God has willed that your land should always be a witness to all turning points. It was from your town that I left to start my initiative. We met here last 25 December. It was also from here that I went to Camp David. Vice President Husni Mubarak was here with me yesterday and I provided him with all that is required. He left early this morning for the United States. He will arrive there today, God willing, with a message from me to President Carter. Husni Mubarak will arrive in the United States today, God willing. Early tomorrow, he will meet with the U.S. President, God willing, and convey to him a message from me.

I want to brief you on the situation as it stands now.

Briefly, the situation now regarding the ratification or establishment of peace in the area is as follows: You know that we are very eager and I am very eager to establish peace in the name of all of you. Very good progress has been made toward the establishment of peace. As you heard me say before, there are no difficulties, which we can call difficulties in the true sense of the word, regarding Sinai. However, in Israel they like to raise this now and then. I assure you and tell you that there are no difficulties in the true sense of the word, because the question of Sinai is clear.

Sinai is Egyptian and there can be no discussion of the land and sovereignty, as we agreed before and as the situation stands now. I say we have made good progress. Why?

As you know, two documents were issued at Camp David. The first relates to the comprehensive solution; the second to the agreement between Egypt and Israel. Concerning the comprehensive solution, there are clear and specific provisions on solving the Palestinian problem in the Gaza sector and the West Bank and solving all aspects of the Palestinian problem as stipulated in the Camp David agreement.

Where is the difficulty? We tell Israel that as far as Egypt is concerned, the primary issue is not Sinai. I declare this here because the world will record and hear what I am saying here at your university. The primary issue is not Sinai. The primary issue is the establishment of peace. Peace cannot be established if the Palestinian problem is not solved away from the convulsions. No, we are following a sound course in performing our duty toward our conscience, history, Egypt's position and leadership and toward the future generations. There can be no peace if the Palestinian problem is not solved. In this battle, we seek to establish peace, not merely to restore Sinai. We want peace. Therefore, in any agreement we might achieve, we and Israel must take into consideration that the establishment of peace must not depend on withdrawal from Sinai; it depends on solving the Palestinian problem. Consequently, the status in the Gaza sector and the West Bank and solving all aspects of the Palestinian problem are of primary importance to us. Sinai comes next in importance. Why primary importance? It is because, as I have said, we seek peace and are not behind our land in Sinai only. We are seeking peace and the restoration of all Arab rights in Palestine and the restoration of the Arab territories, including Sinai, to their owners.

What I say is clear. If after this long road we have traveled and after all the initiative last November, and 2 weeks of discussions at Camp David--if after all this Israel does not accept or understand what I say, then perhaps it will reconsider its position. We are not emotional or convulsive. All we want to say is that we want to build a permanent peace this time and do not want only our land in Sinai.

Perhaps this would explain Egypt's position to them. Exactly as I said, Sinai is not an alternative to the durable and just peace in the area. We want a just and durable peace in the area. There might be complications in the next stage. I very simply tell those who met in Baghdad that their demonstration will have no influence at all. The proof of this is that our discussions with Israel are passing through a stage which yesterday I described as a turning point. In other words, it is a critical turning point. Why? Because after this great effort and after having traveled more than 90 percent of the road toward peace, we will remain alert to our aim until we complete the entire road. Our aim is for peace to be established. It is not merely for Sinai to be restored. I am not saying this to deny what they said in Baghdad. I am saying it because this has been Egypt's line throughout, and for many years before they met in Baghdad. This will remain our line thousands of years after the Baghdad meeting. Egypt is free and its decision is an Egyptian decision stemming from its position and its leading, cultural and historic responsibilities. Its decision stems from its fate and its faithful sons who always proceed toward their goal without any selfish motives, unlike those whose actions reek of treachery, hatred, ignorance and inefficiency.

Today, I declare to the world that the negotiations between us and Israel have become critical. Yes, critical. This is what prompted me to send my deputy Husni Mubarak to see the U.S. President. As I have already said, we have traveled 90 percent of the road as a result of our eagerness and faith in the line we always follow. This is the line of peace and of solving the question of the Arab nation by loyalty, sincerity and devotion. It is not Baghdad which led to this dilemma. What led to this dilemma is that we in Egypt are always eager to fulfill our promise. We promised that we would work for peace and that it would be a sincere Egyptian action, as is the custom of Egypt. We promised to work for a real peace, not to trade or outbid or in order to restore Sinai and leave the rest. No. As we promised, we act without consulting these ignorant, inefficient, rancorous and bankrupt people. Yes, there is a crisis and I describe it as serious. Why? Because we have traveled 90 percent of the road. Well, regarding the remaining 10 percent, Egypt says and will continue to say that it fulfills its promises. Egypt is honorably and faithfully shouldering the responsibility. It does not deceive, nor does it betray. We will remain so until we teach those who met in Baghdad or their peoples how to recognize Egypt. If it is possible to avoid this crisis, then as before and as the entire world saw, we will mobilize all our resources toward this end. If this crisis must lead to the suspension of the discussions, then the parties might reconsider their positions. When I speak about the parties, I mean Egypt, Israel and the United States. Let them reconsider their positions and then resume the discussions.

What I want to say is that Egypt's commitment to its Arab nation and the world has been a commitment of honor and dignity throughout its history, since it began the first civilization. We will not relinquish Egypt's standard of performance in carrying out the trust. This is the message of the people of Egypt. I am saying this so that those who met in Baghdad may realize that their meeting, attack, convulsion and trading have not changed and will not change anything in the position of Egypt's leadership, Egypt's strength, Egypt's honor and Egypt's glorious history. [applause]

In building democracy, you, my sons and daughters, have experienced and are experiencing the phase I have experienced. As I have told you, I was compelled to go down to the political street this year. Why? Because some people wanted to delude this country through democracy as was done before the 23 July revolution. The National Democratic Party has been formed. Of the 360 members of the People's Assembly, 316 joined the party. If I wanted to form a party to merely harp on the pre-23 July foolish party tune, I would have been the happiest man today and would say: I have a majority of 316 out of 360 members and therefore I can do whatever I like.

No. This is not my message to you, my children. Nor should it be your message, my children, the generation of October, because you will eventually assume leadership and responsibility. My concern, your concern and the concern of the new generations is to erase the pre-23 July gloomy past and all the excesses that occurred after 23 July. In order to erase all this and start the new phase of upsurge, we must be eager to establish a sound party life. Why party life? Because of dictatorship, my children. We tried the pre-23 July revolution democracy. Under the slogan of democracy, the party system was ruinous to the country. You did not experience that period. Why was I eager to go down to the political street? In order to tell you all about it and so that history will not be falsified to you.

My children, you did not experience the period we experienced--when we were sitting and the king was ruling by the parties with the British over them. We experienced colonialism by the British; we also experienced feudalism by those they left behind--those who called themselves pashas and others who thought they were privileged over this people. Why? Because the king gave them the title of pasha. By merely acquiring the title of pasha, they considered themselves a privileged class in the country and privileged over their people. The result was that this class, which was not more than 5 percent of the population, had all the country's resources to themselves while we--all of us--were workers, laborers and peasants for them. We were not even allowed to be educated like their children.

My children, you have heard me say that when I was receiving my secondary education a long time ago, I was not destined to continue my education at all. The laws at the time stipulated that of every two brothers entering a government secondary school, which cost 20 pounds, one of the two brothers would attend school free of charge but the other would have to pay the fee, or one would pay a full fee and the other half-fee. That was the law.

My older brother and I entered. Because we were poor and because our father was not a bey, nor a pasha, nor a minister, nor did he hold an important position, but was a simple man receiving a salary of 16 pounds, our request that one of us pay the fee and the other attend free or pay half of the fee was rejected. Had my older brother not left school, I would not have been destined to continue my education, because we were peasants below the poverty line. This is what was happening at the time.

My children, we experienced all that but you did not. We experienced the British. The army had British commanders, the police force had British commanders, the constable in the street in Cairo was British. You did not see them. My children, we experienced the foreigners' privileges. Do you know what the foreigners' privileges were? According to these privileges, when any person holding a French, British or Italian passport attacked and killed an Egyptian, he would not be arrested or accosted by the Egyptian police but would be taken by his consulate for trial.

Here not only the foreigners had this right. No, anyone could go to any of these embassies and get a passport. When he was given a passport as a certificate of nationality, he had the right to kill any Egyptian, whoever he might be, without being brought to task for his crime except by his consulate. What used to happen was that when one of these people killed whatever Egyptians he wanted to kill he would seek refuge in his embassy and the Egyptian police had no jurisdiction. The embassy would then simply ship him out of Egypt and that would be the end of it.

That was a type of foreign concession. These were the foreign concessions abrogated only in 1936. Until 1936 we lived under these foreign concessions.

Under British colonialism even the policeman in the street was British. We lived under the rule of the king. The king was a foreigner to the country. We all know what happened with the British in 1882, during the battle against the British occupation of Egypt and 'Urabi's battle and how the Khedive of this was the one who called the British and told them come and protect my throne.

He was a foreign king. We know about the corruption that accompanied that. We also lived through the era of the class of pashas which the 23 July revolution should have finished.

Regrettably, the 23 July revolution was a merciful revolution. Some of the pashas who have now tried to exploit democracy tried to mislead you and to tell you that before the 23 July revolution there was democracy and freedom and so on. This is a lie, a forgery, a fabrication, and a crime. They forgot that with the Egyptian will and with the expulsion of the king and all these symbols, it was all over and these pashas were put in their right place. No.

We lived through all this, my sons. You did not see it. Now what do you have? You have free education in all branches of education. You do not know what happened or what we went through to bring you up to this level. Until 1936 there were foreign concessions, which meant that anyone of us could have been killed in his own country. Such was the case until 1936. Such was the era talked about by the pashas and the highly esteemed, who were in fact ruled by a secretary in the office of the British ambassador, a secretary called the eastern secretary. We have paved the way for you to build Egypt and build Egypt with love, hope, work and with our heads raised high. In Egypt our heads have always been high in the sky, even at the time of the 1967 defeat and all its disgraceful and humiliating dimensions. There may be some people here in Egypt whose thinking is like that of our Arab brothers who met in Baghdad--a sample of Egyptians with the same reactions as those. The spirit of defeat had engulfed them, but as for the genuine Egyptians in 1967--despite the fact that the wound was deep and the defeat was painful and humiliating--our heads remained high in the sky, despite the fact that we were bleeding. We kept our heads up and in 1973 we avenged the defeat of 1967 in the greatest and most magnificent manner. [applause]

I say, my sons, that your image is that of the October generation. You set an example not only to those who advocate defeatism around us in the Arab world and elsewhere, and not only against the background of ignorance, inability and hatred around us in the Arab world. No, you also set an example for your people here and for the generations that will come after you. The example you set is that construction is based on love, sweat and on Egypt's dignity, which has been lofty throughout 7,000 years of history. For 7,000 years our head has been high in the sky, whatever the wounds. Our heads have always been high in the sky.

We are now our own masters, my sons. We have no guardians.

As I have told you, with the formation of the National Democratic Party, I meant to say that democracy and party life are not patterned on that of the past, in that I have the majority and would do whatever we like. We must all be interested in having various opinions. Dictatorship has harmed the country. This is quite clear and it is a fact. Democracy is our country's safety valve. Democracy is based on a multiparty system and on various opinions. This is why, as you see, I have not been content just because 99.9 percent of the Egyptian people belong to the National Democratic Party and just because 316 of 360 deputies belong to the National Democratic Party. No, not at all. I am now building the opposition party with the same determination with which I built the majority party. Why? To insure various opinions. It is not theatrical, no. Our people reached the age of maturity a very long time ago. They are mature and they can differentiate between theatricals and hate and such things on the one hand and right, reality and true mission on the other hand.

We must, my sons, cooperate in building democracy by promoting various opinions. Partisanship must not be modeled after what used to happen before the 1952 revolution when the parties resorted to nothing but defamation and criticism in order to gain power. Before our 23 July 1952 revolution--I am talking about 26 or 27 years ago and I was one of those who carried out the revolution--there was not a politician in Egypt who had not been defamed by the others. This is what they wanted to do last year when the parties were formed and when a party that belonged to the past resorted to the same method of defamation and criticism of all those in power. Why? Is this the meaning of party practice? This party, even in the election of the dean of lawyers, has tried to look for someone--then even tried to contact the opponent of their candidate for no reason other than that this same party, which has dissolved itself and is over and done with, wanted someone to slander the revolution and the regime for 9 months, after which the struggle would be complete.

These are the sick-minded people whom we must make understand that all this is not permitted. We allow democracy and we allow partisanship, differences of opinion, and we allow various opinions, but in a scientific way which the parties abroad follow. This means that the aim of all the parties must be to promote the prosperity of man or the compatriot in the country where the parties operate. Our target must be the prosperity and happiness of every Egyptian. This is the object of parties. It is not shamelessness, abuse, meanness, or defamation which prevailed before 23 July 1952 and which they wanted to revive.

No, my sons. Because you are the generation of October, you must have the following outlook on political life: that democracy and partisanship must not be a means to destroy national unity, nor to defame, slander and abuse; no. Partisanship, democracy, and having more than one opinion are meant to promote prosperity for the Egyptian people. Every opinion must seek prosperity for the Egyptian people. The difference between the opinions should only be on how this can best be done. One opinion may be that it can be achieved in one way, and another may see that it can be done in another way. So much for the building of democracy.

This concerns the building of democracy. I have already spoken to you about the building of peace. What remains is the building of prosperity. It would be difficult for us to realize prosperity if peace and democracy were not established. I thank God that we are again the masters of our affairs. We no longer have a guardian whose permission we must ask about anything. Our land, fate and destiny are our own affairs.

I was very pleased when I heard the university president explaining your activities regarding Sinai. Sinai, as you heard me say, will be divided after the establishment of peace, God willing, into two governorates instead of one. Your share, my sons, will be the part of Sinai facing you here east of the Suez Canal, which is an extension of the (At-Tinah) Valley. I will ask you, therefore, God willing, to immediately prepare to cross to the other bank and enter the part of the (At-Tinah) Valley which will be added to the governorate of Ismailia to begin your experiments and work there. I also want the entire college of agriculture to move to Sinai, God willing, from its present campus. [applause]

Sons, regarding the college of petroleum, most of the petroleum is in southern Sinai, the southern governorate of Sinai. The capital of this governorate shall be At-Tur, God willing.

As you know, sons, gas was discovered in northern Sinai near Al-'Arish. I hope that the college of petroleum, which has its headquarters in Suez, will establish a new headquarters at At-Tur in the middle of the oilfields. The gas in Al-'Arish and the petroleum in the south are mainly in At-Tur and the Suez Gulf. You will go there to work and experiment, God willing.

We are in the process of building peace, democracy and prosperity. This is a stage which mature peoples undoubtedly reach. Today, we must get rid of all past obstacles. As you have heard, the local government will assume its full powers. All powers will be vested in the governor in order that he and the sons of the governorate and its cadres may solve all the problems of the governorate. I want the same thing to be applied here at your university. Your university is completely independent. I suggest that you sit down and study the question of arranging an open day at least once a month. The petroleum students would go out to the petroleum fields to see what is happening. The agricultural students would do the same in their field. Let these be in addition to the field days. Prepare yourselves the traditions and bases which would enable the graduate to be familiar with all that is taking place around him, rather than to be a mere theoretician. I would like such a graduate to come and tell me: I have worked for so long on such land in Sinai and I would like to take possession of part of it. I would immediately give him a deed so that he might settle down and work there.

I want you to do this, God willing, and decide on it with the president of your university and professors because you are independent and the president of your university has the power to do so. I am going to instruct the education minister, God willing, to notify the other universities of this: begin forming a university guard. The university president would announce the formation of the guard from all cadres of the university graduates to guard your installations. The guard would be attached to the university president, not to the police or any other quarter, because the announcement would be made by the university president and the guard would be chosen from the university graduates or its present students. You would provide the guard, action programs and training. I say: let there be an open day and a field day each week or each month. All this would be done by you as a result of your understanding of your mission and your full adherence to your environment. Agronomists would stick to agriculture, petroleum students to petroleum, students of marine sciences to the marine sciences and chemistry students to chemistry. Decide whatever you want for yourselves. You and your university president are independent and can do what you like regarding your guard, your performance on your open day and regarding your class periods and curricula. The aim is to produce from you, the October generation, the citizen who will be worth 1,000 sons in nobility, firmness, and faith in values, friendship and in promises and in all the values which this land has taught us and made of Egypt throughout the thousands of years a Mecca for all who want to learn values. The first civilization was born here.

I want each of you sons and daughters to be worth 1,000 persons in this country and I want you to be the generation of the future which will build Egypt and make up in the shortest time possible all that we missed because of our long backwardness.

I implore God Almighty to give you success, sons, illuminate your road and make you useful to your homeland and Arab nation. Peace be with you. [applause]

V. 16 Nov 78

LEBANON

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PRIME MINISTER AL-HUSS HOLDS PRESS CONFERENCE

NC151435Y Beirut Domestic Service in Arabic 1300 GMT 15 Nov 78 NC

[Text] His Excellency President Ilyas Sarkis held a working meeting at 0900 in which Minister of Foreign Affairs and Defense Fu'ad Butrus participated. Prime Minister Salim al-Huss joined the meeting at 0915. At 0930 the president held an extended working meeting attended by Prime Minister al-Huss; Minister Butrus; Interior Minister Salah Salman; army commander Gen Victor Khuri; the chief of staff, Staff Brig Gen Munur Turbayy; the director general of the Internal Security Forces, Brig Gen Ahmad al-Haj and Arab Deterrent Forces [ADF] Commander Col Sami al-Khatib. The meeting ended at 1215, after which the army commanders left the presidential palace.

At 1215, his excellency the president chaired the cabinet's weekly session in which the prime minister and the ministers participated. The cabinet session continued until 1300, after which the president met with Prime Minister al-Huss and Minister Butrus. The meeting Prime Minister al-Huss held a press conference in the press room at the presidential palace. The prime minister opened the conference by saying: At the working meeting held prior to the cabinet session, a discussion was held with the Lebanese Army and the ADF commands as well as the Internal Security Forces concerning the temporary draft plan drawn up with the coordination of the three commands. The plan contains alternative methods for dealing with the situation. The discussions were useful and helped to narrow down the alternatives and to direct our attention toward certain solutions. The prime minister added: Choosing the best method for implementing the plan is not as easy as some might think because of military and political factors and considerations related to the problem. After the debate, the outcome of which was conveyed to the cabinet, the military commands received specific directives to restudy their plan. We expect to hold a similar working meeting within the next few days after the military commands will have completed the necessary work. I wish to affirm on this occasion that the government is determined to implement all of its decisions and is working diligently to adopt the necessary practical steps to insure their proper and active implementation.

The prime minister was asked: Is it possible to say that the security plan has not yet been completed in view of the fact that you have asked for a restudy of the plan? The prime minister replied: We debated the primary concepts of the plan. As a result of that debate, the commands were told to restudy the plan. It was then submitted to us on the basis of the new directives. The prime minister added: As I said before, we expect to hold another working meeting in a few days to examine the coordinated, revised plan that the commands drew up.

Asked whether the draft plan submitted by the commands will require the cabinet's approval or whether it will be approved at the working meeting to be held for that purpose, the prime minister replied: We hope that a final draft will be submitted to the cabinet during its next session. He added: A working meeting is likely to be held prior to the cabinet's forthcoming session. However, an extraordinary cabinet session is not likely to be held prior to its regular session.

Asked about the new defense bill draft, Prime Minister al-Huss said: A draft plan for rebuilding the army was also presented to us. However we regret that we did not have enough time to discuss the plan in detail.

PRESIDENT AL-ASAD ADDRESSES TRADE UNION CONGRESS

JN151915Y Damascus Domestic Service in Arabic 1030 GMT 15 Nov 78 JN

[Speech by Syrian President Hafiz al-Asad at 19th congress of Syrian General Federation of Trade Unions at the federation's conference hall in Damascus--live]

[Text] Brother members of the congress, dear guests: I am pleased to join the brother workers in their celebration marking the convocation of the 19th congress of the General Federation of Trade Unions. I am also pleased to welcome the guests at this conference, both brothers and friends, on behalf of our people in Syria and in my own name as well as in the name of the party leadership and the leadership of the Progressive National Front.

I am also pleased to congratulate the trade unionists who have won the confidence of their brothers in the free democratic elections that were held. Those elections produced trade union leaders elected by the workers at their places of work. [applause] They were elected for their ability to assume the responsibility of trade union work.

This congress is distinguished from other congresses of the General Federation of Trade Unions in that we see that many women trade unionists have assumed positions of leadership in the trade union movement. That is a significant development because first, we have always called for and hoped to achieve that. Second, that development means that Arab women, who have the qualifications to work side by side with men in all walks of life, also have the qualification to assume higher responsibility. Third, that means that a third of our society--I mean by that the women--has begun to fill the gap caused by their absence from public life because of certain historical circumstances that our nation has experienced like all other nations. Those circumstances produced a number of values and concepts concerning women and expressing the material and moral injustices caused to both men and women. Therefore, nobody can say that we are being fair to men and unfair to women, or vice versa. [applause]

We should continue to straighten out any crookedness in the course of our life. We are the ones most concerned about clearing the way. I repeat what I said before: We must always remember that women are mothers, daughters, wives and sisters. Therefore, we should rejoice to see women taking their place in the People's Assembly, the local administration councils, the party leaderships, and now the trade unionist leaderships. Of course, this is in addition to their activities in the women's federation and various other fields.

While I congratulate all the trade unionists who were successful in the elections, I would particularly like to congratulate the women trade unionists for the progress they have made--progress which, I hope, will continue. I have no doubts that women will prove in practice that this development serves our people's progress toward development and reconstruction and is compatible with the requirements of this age. [applause]

This is the first time I have worn glasses while addressing you. However, I am not disturbed, because I do not see just with my eyes, but also with your eyes. [applause]

Brother members of the congress, dear guest; I do not see any need to speak at length about the struggle of the workers in our country and the development of their trade union movement. We have spoken a great deal.

Everyone knows that since the inception of their trade unionist movement, Syrian workers have been strugglers and defenders of the homeland with the same zeal as they defend the rights of the working class. Everyone knows their contribution to all phases of the national struggle for independence, freedom of the homeland and defense of its soil. Everyone is aware of their support for the national economy, social justice, the building of socialism, Arab unity, and the issues of freedom and independence in every part of the Arab homeland. They have always responded to the call of the homeland and the call of freedom, the struggle of their nation in all its countries and the struggle of their brother Arab workers everywhere in our Arab homeland. They have always looked forward and worked to strengthen their struggle relationships with the labor organizations in the world. They have also coordinated their efforts and participated in the battles of the just struggle being waged by the world workers for freedom, progress and the building of socialism, and against all symptoms of repression and exploitation.

The history of the trade union movement in Syria is brilliant. Throughout that history, Syrian workers equated social freedom with political freedom. Their struggle for economic and social liberation was connected with the struggle for the freedom of the homeland in general. This freedom cannot be complete unless we liberate our occupied lands and eliminate the injustice befalling our people, regardless of the source of that injustice. Freedom cannot be complete unless Arab unity is achieved.

The General Federation of Trade Unions wanted to convene its 19th conference to coincide with the occasion of the 8th anniversary in November. I am pleased to say that in the past 8 years, I have spoken to brother workers at the opening of the 17th and 18th conferences. I held dozens of meetings with brother workers and their trade union leaders. I followed with interest the march of the trade union movement and its continuous success. I would like to express my happiness over seeing the workers achieve this success, particularly because all of it falls within the framework of the party's understanding of the role and significance of the labor organization as a popular organization and as an important and integrated sector of our other popular organizations which are playing their full role in leading the economic and political process of the country under the influence of our party--the Arab Socialist Ba'th Party. [applause]

Ever since its inception, the party has attached special interest to the working class. I do not want to go on at length here about the party's interest in the working class of our country. As one of its most important pillars, the working class played a significant role in igniting the country's revolution, and in defending and protecting it. I believe it is important to point out that one form of expression of that interest and profound significance is the party's main congress adopting a decision that the chairman of the Executive Bureau of the General Federation of Trade Unions be a member of the party's supreme congress in the country. [applause] Thus the party affirmed the significance of the working class and saw it as a party institution. From the legal point of view, the party viewed every worker as a party worker because the chairman of the general federation is elected by the country's workers.

As part of the party's interest in the working class, all proposals by the Executive Bureau of the General Federation of Trade Unions were always viewed with interest by the party leadership. These proposals have always been viewed and studied. The interest was reflected in a series of laws, resolutions and decrees issued by the state. Those represent an actual translation of what the General Federation of Trade Unions should perform in terms of an increasingly important role in public life.

You have in your hands the reports of the Executive Bureau. These reports include several of the laws, resolutions and decrees. Of these I recall, for example, the legislative decree issued on the day of the opening of the 18th conference to have the two executive bureaus of the General Federation of Workers and the General Federation of Peasants represented in the Supreme Planning Council. I also recall the law on production councils and the law on incentives which linked wages to production. All those were naturally preceded by the fact that the constitution stipulated that at least half of the members of the People's Assembly should be workers and peasants.

In view of the laws and decisions issued at the suggestion of, and following discussions by the Executive Bureau of the General Federation of Trade Unions, and in view of the report submitted to your conference by the Executive Bureau, I would like to point out with great appreciation the efforts made to draft this report and to emphasize what that required in terms of research discussion with more than one side.

As I have seen by quickly reviewing its contents, the report has drawn up indicators of real shortcomings in our departments and our work methods. Some of those aspects were dealt with previously, but the report did not treat them as I felt it should have. I discussed that with the chairman of the Executive Bureau of the General Federation of Trade Unions.

For example, the report speaks about production councils and the difficulties which they faced because of lack of codification of the councils. That matter had been previously discussed by the party leadership with the participation of the Executive Bureau of the General Federation of Trade Unions. It was decided to codify the councils and a law was issued establishing and consolidating the authority of those production councils. The report refers to this but in a manner which leaves room for confusion or at least ambiguity, because the matter has been dealt with sufficiently previously.

There is another example related to linking wages to production. This was also discussed in consecutive sessions of the party's regional command with the participation of the Executive Bureau of the general federation. Most sessions were attended by the chairman of the Executive Bureau of the General Federation of Trade Unions. The law on incentives was issued and was regarded as the basis for linking wages to production.

A third example is that the report concentrates on relinquishing the method of submitting tenders for turnkey projects. The shortcomings which the report mentions of that method of implementing the projects are correct. Mistakes were made in the past and the price was paid. However, that method was discussed well over 2 years ago and was eventually abandoned. As far as I know--and I am supposed to know these matters well--for well over 2 years no development project was implemented according to the method of submitting tenders for turnkey projects. That does not mean that we will not resort to that method in the future. Necessity might dictate that we do so in one or another project. However, this is not our general trend. The general trend is that that method is harmful and we have renounced it.

I wanted to give some examples of how matters were not dealt with properly in the report. That does not affect or belittle the significance of the contents of the report. The report is a clear indication of real shortcomings and gaps which exist in the methods of our work, as I have said.

We have to concentrate on the mistakes much more than concentrating on the positive aspects. I absolutely do not want, as I previously told you and citizens in other sectors, to cover up for anyone when he makes a mistake. Do not have mercy on anyone when he makes a mistake. Anyone who does not do his job properly must bear the responsibility for that. I said that in the past and I say it now. [applause] You should discover mistakes and expose those who make them. Office represents responsibility, not privilege. Anyone who understands differently must bear full responsibility and account for his actions. [applause] I have told you, other sections of our people and journalists--I see a large number of them among us now--that we must shine light on mistakes. That is and always will be effective because we will always need it. The government departments and all officials are required to open their doors completely and answer questions from journalists because journalists give the answers to the masses of the people. [applause]

As I mention these main symbols as an example, I do it to emphasize the great interest of the Ba'th Party in the working class. Our interest springs from an appreciation of its role in building and defending the homeland, as well as of its growing role in upholding the mission of the Ba'th Party and struggling to achieve the Arab masses' desire for unity, freedom and socialism.

From following up the activities of the General Federation of Trade Unions I can say that the 18th session in particular was rich in action and full of useful experience. Perhaps the most important experience is that of the productive councils which we want to develop so as to overcome various difficulties. We want the councils to share in democratic administration and popular supervision and to see to it that workers play a complete role in the building process and socialist transformation and in strengthening the public sector as the leading sector in the national economy. In that respect I would like to tell the brother workers that in most cases difficulties are a natural part of life. However, our faith in our right to a decent life and our faith in our homeland and the right to exert our utmost efforts to advance it and to spread justice, equality, freedom and prosperity, are incentives that prompt us to double our efforts to overcome difficulties. In that respect I stress what I stated at the previous conference; the awareness of the working class is demonstrated by the aims defined by its struggle and its continued emphasis on the political aspect of trade unionism.

After raising the slogan of consecrating political trade unionism as a substitute for demanding struggle [nid al matlab] as a basis for the unity of the working class for liberation, the working class at the 18th conference raised the slogan of proceeding toward advanced positions for liberation and construction so as to entrench political trade unionism. Today the working class raises the slogan of proceeding toward advanced positions within the framework of political trade unionism to boost national and productive responsibilities to confront the basic challenges of the Zionist invasion and of development.

No doubt productive rivalries and the workers' own interests in increasing and improving production are part of the concept of political trade unionism and proof of the awareness of the working class. Political trade unionism is in itself an indication of understanding the current requirements of national and pan-Arab struggle. It is also an indication of understanding the nature of the revolution's activity toward its aims. The elements of that activity--which summarize the reciprocal relationship between the Ba'th Party and its authority, on the one hand, and the overall sectors of the people, on the other--must be studied clearly and without ambiguity. All that is governed by reciprocal relationships and constitutes the content, aims and principles of the revolution.

In the past, combination and interaction between the Ba'th Party and the masses were demonstrated by the fact that the state responded and fulfilled the requirements of the people whenever possible. There will always be ambition and room for fulfilling more of the citizens' requirements. As the homeland's resources grow, the possibilities to further raise various aspects of the standard of living of all citizens will increase. I do not want to dwell on certain subjects which the Ba'th Party leadership has favored in shouldering some of the burdens on behalf of the trade union federation. There is interest in establishing a central institute of the trade unions. The Ba'th Party leadership decided to alleviate the burdens of the trade union federation and to shoulder the responsibility of establishing this institute. [applause]

So as to share some of the burdens of housing for workers, the Ba'th Party leadership decided to allot land in the center of every governorate. Agreement will be reached on the area of the land by the regional assistant secretary of the Ba'th Party with the chief of the executive office of the General Federation of Trade Unions. [applause] The Ba'th Party leadership has also decided to undertake completing the ready-made clothes factory which belongs to the General Federation of Trade Unions.

Brother Members of the Congress: You have been right in emphasizing the two main challenges; the challenge of the Zionist invasion and the challenge of development. The link between the two is clear. Inasmuch as we exert efforts to confront either one we will provide the possibility of triumph in confronting the other. If we realize the laws linking the two challenges and the factors of confronting them, and if we benefit scientifically from those laws, we will fully provide the necessary conditions to score our victory in the two battles together. Inasmuch as development intensifies, our capability is intensified to confront aggression, and inasmuch as we manage to confront aggression, our capability is intensified to boost development.

It stands to reason that we should take into account the aim of liberation in every field of development and construction. We want to liberate the land and to restore our usurped rights in order to have the state of peace we desire and for which we have endeavored, as have all the nations of the world. We will spare no efforts that may contribute to the benefit of peace process. But we are confronting an expansionist enemy whose aim is to gain more land and evict more people and to show arrogance and intransigence. The enemy speaks about peace when he means capitulation. He tries to impose that capitulation according to his view of the needs of his future generations. The enemy has been encouraged by our ignorance of his dangerousness and our negligence in building Arab life to meet the danger. Ignorance and negligence has also encouraged him to proceed in his arrogance and to strengthen expansionist dreams and the possibility of imposing his will on others.

The situation was further worsened by the serious concept of the Egyptian regime when it tried to abrogate every barrier between peace and capitulation. The Egyptian leader went to Jerusalem to bow before the Israeli flag and to place a wreath on the Israeli soldier's tomb as if he were telling every Egyptian soldier: "You have killed this struggler and I will apologize for the crime."

That serious act has further worsened the situation. It has also made the enemy more convinced that he could force Arab surrender. It also made it possible for the enemy to distort the image of peace and to render it in the Israeli form.

Distorting the image of peace will never screen the real image of peace. That image has been in our minds and has been handed down to us through many generations. Our sons have entrenched this image and baptized it with every effort and sacrifice until it became stabilized and clearly based on justice. The image rejects occupation, eviction and oppression, but it is based on freedom, sovereignty, dignity and honor.

That is our image and concept of peace. In light of that image we will continue to struggle for a just peace based on the return of all territories occupied in 1967 and the restoration of the national rights of the Palestinian Arab people and that the road to all this must be the one expressing the interests and dignity of all the Arabs.

They believed that the deviation of the Egyptian regime would lead to the deviation of the whole Arab nation. That regime had thought with ignorance and conceit that it could involve the Arab nation in a capitulatory settlement despite the nation's interests and its collective decision. At any rate, it was mistaken.

A live nation will not collapse if one of its parts collapses, despite the importance and vitality of that part. However, a process of compensation must take place in such case so that a nation avoids factors of imbalance and again becomes cohesive and strong and defends itself with more caution and vigilance.

From here came important Arab responses and appeals following the visit to Jerusalem and the forming of the Camp David agreements. Those appeals and responses were only an echo of the feelings of Arab citizens--a reflection of the Arab nation's urgent desire in keeping with its mobility, pride and history. The ninth Arab summit conference, convened in Baghdad, and its results must be seen in that light. The Baghdad summit results assert that the Arab nation is strong and determined to stand fast and resist aggression and capitulation as much as it is determined to achieve just peace.

On the occasion of my referring to the Baghdad summit, I must laud the stands of all Arab brothers at the conference. We all came to the conference pained, because for the first time such a conference convened with fraternal Egypt absent. We were pained over the situation, to be specific, over Egypt's absence. We held many long meetings--bilateral, tripartite and quadripartite meetings. We studied the situation from all angles. We tried to find, discuss and seek any useful way to bring Egypt--as a result of the stand of its regime--out of the impasse. There was a proposal that a delegation go to Egypt on behalf of the conference. Everyone knows what happened. The delegation went to Egypt and was not received by the one who ought to have received it. The delegation came back. Such behavior is another indication of the continued determination and erroneous behavior the regime in Egypt has insisted on pursuing. It seems there is some hope in that regime--and among those who prompt it in the United States and Israel--that the Arab nation could be dragged into the pit into which the regime in Egypt was dragged.

We in Syria and the Arab world stressed through the Baghdad Arab summit conference that that course is rejected because it does not express our interests or pride. We will not pursue that course. We have an alternative; more steadfastness, preparations and determination to regain our rights by following an honorable and decent road. We cannot separate right, honor and pride. [applause]

From the beginning we rejected and we now reject the opinion they wanted and still want to impose on us. We rejected the idea that if they impose their views on us, the views will be carried out in other parts of the world.

We do not agree that a certain state in the world has a right and can impose its opinion on others. [applause] As a matter of fact, we do not agree to what is being said about the United States holding 99 percent of the cards to a solution. We believe that 99.5 percent of the cards to a solution, the possibilities of a solution, and the will to achieve a solution are here. [applause] Our past history testifies to that and will again so testify in the future. As I said, they can conclude any agreement, or any separate deal, or any bilateral measure, but they will never achieve peace. That is because peace can only be achieved by those concerned with it. We are the parties concerned with peace because we are the parties who fought. We are concerned with war, and so we are concerned with peace. [applause]

The Arab stand was clear at the Baghdad summit conference: total rejection of that course because it was considered a course of capitulation and liquidation of Arab rights and dignity. That was not because anyone did not desire that the regime in Egypt represent the Egyptian people and play its role among us. As I have said, every one was pained, but we wanted the Arab nation, including the Egyptian people, to have their rights, dignity and pride. We believe--this is what we emphasized at the conference--that the regime in Egypt relinquished first the rights and dignity of the Egyptian people.

There are precedents in the history of the Arab nation that when a certain regime or ruler surrendered, the nation did not. The nation rallied to achieve victory. There are real and bright precedents. If any of us wants to make sure of that, he can go to history. [applause] History is full of vivid examples.

The Egyptian regime did not receive the delegation of the summit conference because it does not want to proceed on the course of the Arab nation. We are proceeding in opposite directions. The Egyptian regime wants us to change our nature and strip ourselves of our Arabism and our Islam as Moslems and our Christianity as Christians and grovel on the Israeli threshold. This is how the Egyptian regime wants us. We maintain that we refuse to grovel on that threshold and refuse for Egypt, represented in its regime, to grovel on that threshold. In cooperation with its people, we will save Egypt from the impasse and swamp into which the ruling regime in Egypt has dragged it. [applause]

I thank and address my greetings to brother Arabs in Saudi Arabia, Kuwait and all the Gulf states, as well as the officials in other Arab states for their positions at the Baghdad conference; positions which were characterized by responsibility and which stressed the importance of Arab solidarity on the basis of Arab dignity and values. [applause]

In that respect also, one can clearly see the importance of rapprochement between the two fraternal countries, Syria and Iraq [applause], a rapprochement which is considered a significant event in this historical phase, capturing the great hopes of our broad Arab masses.

I realize you and our fellow citizens listening to us would like me to speak at length on this subject. But I would rather not do that now. I hope, however, that that I will have the opportunity to do so in the near future. At any rate, what I would like to say is that what took place between the two fraternal countries was important and big, especially when we consider the history of the past 10 years.

There is great hope and rejoicing throughout the Arab world. What we have achieved is important and big, but it has not attained the level of your ambitions--ambitions not only in this country but of our people in Iraq and of Arabs everywhere. The ambition is unity and this is what we must achieve. [applause]

We have decided to turn a new page. We have decided to strengthen coordination, cooperation and confidence--and then move to unified action. We realize that what we have done--I mean the rapprochement between the two fraternal countries--will not be a source of pleasure for Zionism and imperialism. Historically speaking, such steps have never been a source of pleasure for Zionism and imperialism. Throughout the ages, imperialism has sought to prevent any rapprochement between Syria and Iraq. That is a historic fact which must be understood by every Arab in the two countries and elsewhere. We in Syria realize that as do our brothers in Iraq. Therefore, we expect to face many new hardships. We have seen and you have seen some of the nervous reactions immediately after the rapprochement.

And this is not all we expect; but this will not disturb us as long as we retain control of matters and the initiative and can determine our destiny. When we err, we alone assume the responsibility of the error; and when we cannot continue on the road, we alone are responsible for not continuing on the road.

We in the two countries agree on the importance of the rapprochement and on the need to raise the rapprochement to the level of complete unity, as I said. You have all sensed the great rejoicing which the masses have experienced and are still experiencing. You have sensed the feelings of our people in fraternal Iraq. We both have been overwhelmed by rejoicing. Therefore, in your name and in the name of our people in this country, I greet the great people in Iraq [applause], greet all citizens in Iraq beginning with brother President Ahmad Hasan al-Bakr and ending with the Iraqi citizen residing in the remotest village in Iraq. We all hope that we will be favorably judged by the Arab masses in Syria, Iraq, and the Arab nation.

As I said a while ago, there is ample precedence in Arab history of the Arab nation not submitting when its rulers have submitted. I repeat that we want peace when it means peace and we reject peace when it means capitulation. We want peace based on justice and we reject it when based on oppression.

Syria will remain a bastion exerting boundless efforts and sacrificing unwaveringly for the sake of this nation. Syria does not seek any reward. It seeks instead the interest and dignity of the nation in harmony with our basic pan-Arab convictions. Because this means freedom of conscience and clarity of the soul.

Brother Workers: We are confronted with two challenges--the Zionist invasion and the challenge of development. Every man must meet those challenges bravely and with determination. Every citizen has a role to play in the struggle to confront those two challenges. There is no doubt that the role of the working class in this respect is a basic role. You and our other popular organizations are the bases of that confrontation. You have the means of production, you have the right to supervise them and you have the right to effectively participate in planning production. You also have the right to implement production tasks. Your task is to safeguard the tremendous national wealth. The improving and increasing production depends on your sincere efforts. The more you concentrate on organizing the work, vigilance and guidance among the working class, the more you can shoulder your responsibilities successfully.

The Executive Bureau of the General Federation of the Trade Unions had exerted much effort in this respect during the past stage. We appreciate those efforts, but we want further efforts to consolidate the organization and boost vigilance.

The principles and resolutions of the Ba'th Party are a sincere guide to the working class in its march forward. That dictates that the trade unions should focus on planning, vigilance and guidance in light of the party's principles and the resolutions of its congresses as well as the resolutions of its command in trade unions institutes, factories and in every workers' society. These principles and resolutions are your guide to enhancing your sense of duty, to strengthening the unity of the Arab workers, to strengthening your solidarity with the world workers and to placing you always in the forefront of those working to build and liberate those struggling for the sake of Arab unity and defending freedom in the world.

The issues submitted to your conference are basic and closely connected with the homeland's present and future. Thus, the method of handling the issues must proceed from a comprehensive view of the questions facing the homeland. The aim must be to solve workers' questions through the slogan you raised at this conference.

I wish you success in your discussions and I hope you come up with resolutions that rise to the level of responsibility you are worthy of shouldering.

In conclusion, I greet our guests at this conference and all the friendly countries and peoples standing on the side of our just question. I greet the peoples of the Third World and the peoples of the nonaligned countries. I greet the friendly socialist countries and peoples, foremost of which is the Soviet Union. [applause] I greet Arab solidarity. [applause] With you and in your name I greet the Syrian-Iraqi rapprochement. [applause] As I have said I did not speak much on this subject, but I hope to speak on it in the future. I hope as you do that our deeds will precede us and express themselves before we speak of them. [applause] I greet the working class in this country. [applause] I greet the Arab Workers Confederation and the Arab working class. [applause] I greet world labor organizations. [applause] I wish you success and peace be upon you. [applause]

LIBYA

ITALIAN PRIME MINISTER ARRIVES FOR TALKS WITH AL-QADHDHAFI

Jallud Greets Italian Delegation

LD151314Y Tripoli Domestic Service in Arabic 1230 GMT 15 Nov 78 LD

[Excerpts] Giulio Andreotti, Italy's prime minister, arrived in Tripoli this morning on a 1 day visit to the Jamahiriya during which he is to have talks with Libyan officials on strengthening relations between the two countries. An official welcome was given to Andreotti and the accompanying delegation at Tripoli international airport, where Staff Major 'Abd as-Salam Ahmad Jallud headed the welcomers. The Italian prime minister is accompanied by a delegation composed of the foreign minister and senior officials of the Council of Ministers and Foreign Ministry.

Foreign Ministers, Ambassadors Meet

LD151740Y Tripoli JANA in Arabic 1400 GMT 15 Nov 78 LD

[Text] Tripoli--A meeting between Staff Major 'Abd as-Salam Ahmad Jallud and Italian Prime Minister Giulio Andreotti was held at noon today at the Foreign Secretariat in Tripoli. The meeting, which lasted about 2 hours, was attended by Foreign Secretary Dr Ali 'Abd as-Salam at-Turayki, Italian Foreign Minister Arnaldo Forlani, the Italian ambassador to the Libyan Arab Jamahiriya and the Libyan Arab Jamahiriya's ambassador to Italy.

JANA has learned that aspects of cooperation between the two countries and means of strengthening relations between them were discussed during the meeting. The international situation, especially that connected with the situation in the Arab region and the Mediterranean Sea area, and Arab-European dialog were also reviewed.

Andreotti Meets With Al-Qadhdhafi

LD152116Y Rome Domestic Service in Italian 1800 GMT 15 Nov 78 LD

[Text] Prime Minister Andreotti, accompanied by Foreign Minister Forlani has been on an official visit to Tripoli since this morning. This is the first stage of a trip which will take him successively to Cairo, Amman and Baghdad. Here is a report from our envoy, Mauro Bellabarba:

The prime minister's short working visit to Tripoli will end with a meeting currently underway between Colonel al-Qadhdhafi and Prime Minister Andreotti. This morning and this afternoon, Andreotti and Forlani had two long meetings with Libyan Prime Minister Jallud. [title as heard] They discussed bilateral relations and the international situation with particular reference to the Middle East. On that point each side described its own position. The Italian position is known; support for any initiative likely to favor a global peace agreement which is lasting. According to Italy, the Camp David agreements are included within this perspective. However, the Libyans reject them, maintaining that besides being partial, they represent an element of division in the Arab world. However, Jallud expressed respect for the Italian position.

On the level of bilateral relations, the Libyan side insisted on the wish to make them more organic, with an increase in periodic high-level contacts. The prime minister agreed with Jallud's hope and he invited high-ranking Libyan leaders to visit Italy.

In the afternoon, the possibilities of amplifying economic relations were also explored, especially in the industrial field, with an increase in the presence of Italian firms in Libya. A special joint commission will be set up in order to work out the details of the forms of future cooperation between both countries.

Tomorrow morning Andreotti and Forlani will leave for Cairo, the second stage of their visit to the Middle East.

Andreotti, Jallud Make Statements

LD161010Y Tripoli JANA in English 1627 GMT 15 Nov 78 LD

[Text] Tripoli, 15 November, JANA--The Italian Prime Minister Giulio Andreotti arrived in Tripoli this morning on a one-day visit to the Jamahiriya, to conduct discussions with Libyan officials concerning the reinforcement of bilateral relations. An official reception led by Staff-Major 'Abd as-Salim Jallud was given to Mr Andreotti and his delegation at Tripoli international airport. It was also attended by the Jamahiriya's secretaries and the foreign diplomats accredited there.

At a press statement Mr Andreotti expressed pleasure at this visit to the Jamahiriya. He said that he always looked forward to such a visit and praised the existing relations between Italy and the Jamahiriya. He expressed his hope that the visit will positively contribute to promoting the relations between the two countries in particular and to the matters concerning the international issues due for discussion, in general.

Mr Andreotti explained that an exchange of opinions will take place between his delegation and officials in the Jamahiriya concerning the Arab causes and security in the area which is considered a matter of utmost importance by political circles in Italy in particular and in the world in general. This importance is not limited to the political aspect of it, but covers the moral and historical aspects too.

The Italian prime minister was accompanied by a delegation including his minister for foreign affairs and senior officials at the foreign ministry.

Staff-Major 'Abd as-Salam Ahmad Jallud delivered a statement to the Italian pressmen accompanying Mr Andreotti in which he expressed his pleasure at meeting his Italian friends and the honoured guest Andreotti. He said: "We attach importance to this visit in view of the old ties between the Libyan Arab people and the Italians which extend back to the association between the Arab and Roman civilizations." Staff-Major Jallud pointed out that cooperation between the two countries has already achieved a great deal especially after the outbreak of the great 1st of September revolution. He said there are other means of promoting this cooperation which will be beneficial to the two friendly nations.

Addressing the journalists Staff-Major 'Abd as-Salam Jallud added: This visit creates [word indistinct] opportunity for the discussion of numerous matters especially as there is an attempt to establish an Arab-European cooperation, in which Italy is an important party, while Jamahiriya is playing an active role in the Arab world. He stressed that the Libyan Arab-Italian cooperation serves civilization aims. The aim of the members of this community is also to attempt to find a political and moral formula for the Arab-European cooperation.

As to the journalists' query about the possibility of Colonel Mu'amar al-Qadhafi, leader of the great 1st of September revolution and secretary-general of the General People's Congress, visiting Italy, Staff-Major Jallud said: If such a visit takes place, it will undoubtedly be an important factor serving the goals I have been talking about.

Al-Qadhafi Holds Press Conference

LD160058Y Tripoli Voice of the Arab Homeland in Arabic 2315 GMT 15 Nov 78 LD

[Text] Brother Col Mu'amar al-Qadhafi called on the leaders of the Iranian masses in revolt against the shah's regime to immediately begin forming popular congresses throughout Iran as a practical and effective means for achieving the triumph of the popular revolution against the shah's rule in Iran. The brother colonel did that while answering a question at the press conference he held this evening for Italian journalists accompanying Prime Minister Andreotti on his visit to the Jamahiriya.

The leader of the revolution confirmed that if popular congresses were formed in all the Iranian cities and villages and that were followed by the formation of popular committees to rule those cities and villages, they will achieve a final victory for their revolution and will finally defeat the shah and all who stand with him. He said this step has become very necessary in order to secure the victory of the Iranian revolution without use of weapons and without causing casualties, because authority will come fully into the hands of the revolting masses. This will happen even if Tehran remains outside the authority of the masses, because it will spontaneously fall into the hands of the people. The brother colonel confirmed in his reply to one of the questions that what is happening in Iran is an Islamic, socialist and progressive revolution and that, without doubt, it will succeed.

The leader of the revolution announced that his talks with Italian Prime Minister Andreotti today have been useful and were characterized by an agreement of views on the issues which were discussed, including the exchange of views and the documents that each side has. Their agreement is capable of settling past accounts and coordinating the efforts of the Jamahiriya and Italy to assist Malta in securing its neutrality and independence.

The brother colonel confirmed that there is no obstacle for the development of the Italian-Libyan relations and said that the Italian prime minister agrees with us that no obstacles exist. In this context, the brother colonel announced that he welcomes the Italian prime minister's invitation to visit Italy at a later date.

Answering a question about the situation in Lebanon and its relation to the current Arab situation, the brother colonel explained that the basis of struggle in Lebanon is sectarian and is of a class nature and it primarily concerns the Lebanese. He explained that the presence of Arab forces in Lebanon is aimed at helping the Lebanese solve their internal problems, a matter which confirms that the Arabs are one family.

He said that struggles exist in other countries of the world because they have not reached the stage of the Jamahiriya. Their struggles will inevitably end in the masses assuming power and jamahiriya being established. In these jamahiriya, authority, wealth and weapons will be in the hands of all people irrespective of their religious and their political dogmas.

The brother colonel was asked whether the Jamahiriya system can be implemented in other countries in the world and he confirmed that the form of political systems which will prevail in the future is that of the Jamahiriya. The proof is the fierce struggle all over the world in which the masses are trying to reach authority, so that the masses rule themselves without representation or a mediator as is now happening in Libya which has pioneered the era of the Jamahiriya on the ruins of the republics. He added that from now on the struggle will be to achieve Jamahiriya even if the present generation, which is influenced by the inherited system, has not yet absorbed this theory. But future generations, without doubt, are the generations of the Jamahiriya.

Answering a question about his nonparticipation in the Baghdad Arab summit conference he explained that the people of the Jamahiriya as a whole are in the summit. Therefore, the foreign secretary, for instance, can carry out the task between the Jamahiriya and other states. On his views about the results of the Baghdad summit the brother colonel said that the results were reasonable. The leader of the revolution was asked about his opinion on peace without Jerusalem or a war for Jerusalem. He confirmed that the problem is Palestine and not Jerusalem and that there is no peace without the return of the Palestinian people to Palestine and that if there is to be a war it will be for Palestine.

At the end of the press conference the leader of the revolution was asked about Libyan-Egyptian relations. The brother colonel pointed out that the Egyptian regime has been placed on the blacklist by the Arab nation and recognition of the Egyptian Government has been withdrawn because it has dealt with the enemy.

The press conference was attended by Italian journalists representing various mass media.

More on Leaders' Talks

AU160855Y Rome ANSA in English 0810 GMT 16 Nov 78 AU

[Text] Tripoli, 16 November (ANSA)--Libyan leader Mu'ammarr al-Qadhafi and his number two man 'Abd as-Salaam Jallud have demonstrated great interest in intensifying relations with Italy and suggested as a first step more frequent contacts at the government and personal levels. The Libyan leaders voiced these views in their encounters here Wednesday with Italian Prime Minister Giulio Andreotti and Foreign Minister Arnaldo Forlani, who arrived in Tripoli yesterday, first leg of a five-day Middle East tour which will also take them to Egypt, Jordan and Iraq.

Al-Qadhafi and Jallud also voiced "respect" for the Italian position on the Middle East, which is substantially different from the Libyan Jamahiriya's, especially in the two government's evaluations of the Camp David peace framework accords between Egypt and Israel.

Italy views the accords positively because, as Andreotti reiterated in the Wednesday encounters, such agreements represent progress towards and overall solution of the Arab-Israeli crisis, while Tripoli is firmly negative because, as Jallud explained, Camp David has created a split in the Arab world which cannot lead to a lasting solution.

The Middle East crisis was the main issue of the political talks, but the Italian and Libyan leaders also delved into bilateral relations to seek all possible ways to increase collaboration in the economic field. The sectors most attentively studied were industrial and infrastructures, in which many Italian firms are already active--"Fiat," "ENI-Snak Progetti," "Montedison," "Italconsult," "Montubi," "Delma," and others.

Italian exports, especially automobiles and spare parts, steel products, construction material, utensil machines, have increased greatly in the last few years and have largely compensated Italy's heavy oil deficit with the Libyan Jamahiriya (about 1300 billion lire annually).

Italy is one of the Libyan Jamahiriya's privileged trade partners. It is in first place among exporters of production goods and services and is guaranteed the possibility to further increase its already conspicuous presence.

The Andreotti-Jallud talks, which lasted two hours, served to draw the political framework of new future relations as well as Italy's mediator role in an effort to improve relations between the Libyan Jamahiriya and the European Economic Community. The Libyan leaders insisted at length on the relations that could exist between the European Community and the Third World for a better international equilibrium. Jallud said that there are convergences between the "EEC" and developing nations which must be strengthened and that it would be an unforgivable error to leave the destiny of the world in the hands of the two superpowers, the United States and the Soviet Union.

The Italian leaders met with Al-Qadhafi in the late evening. Al-Qadhafi accepted head of state Sandro Pertini's invitation to visit Italy. The date will be decided through diplomatic channels.

In an improvised press conference after the encounter, the Libyan leader replied dryly to several questions on Italian affairs. In reply to a question on what he thinks of the urban guerrilla group the "Red Brigades", Al-Qadhafi said, "If you don't know, how am I supposed to?"

Apropos the situation in the Middle East, he said the results of the recent Arab Baghdad summit are acceptable and he claimed that the Lebanese conflict is "regional and tribal" and that it concerns only the Lebanese.

Al-Qadhafi appealed to the Iranian people to organize in popular congresses because he said this is the only way they can control the situation and carry forward their revolution.

Apropos relations with Egypt, the Libyan leader said that As-Sadat's regime is on the black list and that diplomatic relations between Cairo and Tripoli have been suspended in the wake of the Camp David accords.

Al-Qadhafi also said that in his talks with Andreotti they agreed to make joint efforts to guarantee the independence of Malta.

Andreotti and Forlani will leave Tripoli today for the second leg of their Middle Eastern tour, Cairo.

Jallud Gives Dinner for Italians

ID161122Y Tripoli JANA in English 0831 GMT 16 Nov 78 ID

[Quotation marks as received]

[Text] Tripoli, 18 Nov JANA--Staff-Major 'Abd as-Salaam Ahmad Jallud gave a dinner banquet in honour of Mr Giulio Andreotti, the prime minister of Italy and the delegation accompanying him yesterday evening. The banquet which was given at the guest palace in Tripoli was attended by secretaries, under-secretaries, and members of the diplomatic corps accredited to the Jamahiriya.

At the dinner banquet Staff-Major 'Abd as-Salaam Jallud delivered a speech which he initiated by welcoming the Italian guest and the delegation accompanying him.

Staff-Major 'Abd as-Salaam Jallud said "I want at the beginning to welcome the great guest of the Jamahiriya, Mr Andreotti, and the minister of foreign affairs as well as the members of the delegation accompanying the Italian prime minister."

Staff-Major Jallud expressed his belief that the visit of Mr Andreotti to the Jamahiriya is important for the development of relations between the two peoples. He said, "due to the importance of this visit and what we hope to achieve from it, we have all decided, in spite of its short duration, that it achieves important results for the interest of both peoples. We have held detailed talks with Mr Andreotti, the Italian minister of foreign affairs, and the remaining members of the accompanying delegation."

Mr Andreotti has also held very useful discussions with Colonel Mu'amar al-Qadhafi, leader of the great 1st of September revolution and secretary general of the General People's Congress. Staff-Major 'Abd as-Salaam Jallud noted in his speech that our welcome of this visit and what we hope to achieve from it are inspired by numerous facts, of which the past [few words indistinct] the two countries is an important factor. Although the two civilizations, the Arab and Roman, passed each other and to the world a great deal.

In addition, we belong to one region, that of the Mediterranean, which continues to rely upon spiritual, ethical and moral aspects, and the people of the region are still attributed to speak gestures. Staff-Major Jallud stressed that these spiritual, ethical, and moral factors are of great importance, for the great 1st of September revolution had given them an important role in international relationships. He said in addition that the Jamahiriya and Italy are neighbours and our Islamic religion calls upon us to cooperate with the neighbour and to stretch the arm of cooperation and assistance to him. Besides, Italy being a progressed country, and we in the Jamahiriya have decided to go along the road of development and progress to construct our country, this will provide excellent capabilities for cooperation between the two countries.

Staff-Major Jallud added by saying: "We want to initiate an era of friendship between our two countries which will compensate the two peoples for the past era which we lived together, considering the fact that the great 1st of September revolution carries the slogan that passive action is not to be met by passivity, but that positive action can replace the passive. By this it will end an era neither of us are responsible for."

He also said, "we look upon the Libyan Arab-Italian cooperation seriously. It is a look which does not stem from any complexes or sensitivities. This has been witnessed by our talks today and those which you had held with Colonel Mu'amar al-Qadhafi, leader of the great 1st of September revolution, and secretary general of the General People's Congress in which you talked with open hearts and frankness, and thus confirmed our honest wish to establish a firm relationship with the Italian people."

Staff-Major Jallud went to emphasize an important point, namely that after the Second World War Italy did not participate in the new colonialism, a fact which has made the people of the Third World cooperate with Italy without any sensitivity, and this is a positive point.

Staff-Major 'Abd as-Salaam Jallud confirmed that the discussion he had held with Mr Andreotti, and those which Mr Andreotti had held with Colonel al-Qadhafi, leader of great 1st of September revolution and secretary general of the General People's Congress, have proved a mutual realization of the necessity for developing the relations of cooperation between the two countries. He said that these relations must be organised and founded upon bases and facts far reaching and on an equal basis for the interest of both peoples.

Staff-Major Jallud pointed out that there are many fields in which we can cooperate, and said that Libyan Arab-Italian cooperation should be a model for Arab-European cooperation. This cooperation should also be an introduction for Arab-European cooperation in view of the location of Italy, its civilization, and moral position. In view of the Jamahiriya's role in the Arab world, also, this bilateral cooperation will certainly push Arab-European cooperation stages ahead. Staff-Major 'Abd as-Salaam Jallud indicated in his speech that Libyan Arab-Italian discussions today have not only dealt with bilateral relations but also looked into international relations and economic problems faced by the world.

Staff-Major 'Abd as-Salaam Jallud confirmed that all attempts to solve economic and political problems faced by the world have failed because of selfishness. He said that every community tries to exploit international gathering for imposing its conditions or for achieving personal gains for itself or for the group it belongs to which is the main reason for the failure of these attempts. Staff-Major Jallud added that if these problems were faced by everybody as one community and as one family, while ridding itself of selfishness with its aim at achieving mutual interests and mutual gains for all human communities, the international conferences that had been held and that are being held would have at least achieved some results on the course of solving the problems faced by the world.

Staff-Major 'Abd as-Salaam Jallud clarified in his speech the major problems facing the world. He said: "These are summarized in enabling the rest of the nations to achieve their independence and freedom, whether in occupied Palestine or in the south of the African continent, in addition to establishing a just economic system which permits the people of the Third World to develop their economies and thereby rid themselves of the complex of the great and small, the trustee and the dependent. He continued to say, "If the diseases suffered by the world economy are harmful to the economies of the developing countries then this system in fact completely destroys the economies of the developed countries." He pointed out that the people of the Third World are not the ones responsible for the problems facing the world. The developed countries themselves are responsible, but the people of the Third World are the victims who are paying the price when the sacrifice should have been equally shared and not restricted to the people of the Third World.

Staff-Major Jallud gave an example of this situation by saying, "When we accepted to freeze the price of oil, we were expecting the industrial nations to take measures to reform the economic system and to treat the fault in their economic system. Instead, what has happened is that these diseases are still in existence and the countries suffering in consequence are those producing raw materials, at the head of which are the oil producing countries. For, after freezing oil prices there was a corresponding high increase [as received] in the price of the products we import from the industrial countries, besides the total collapse of the American dollar which has alone caused us a loss amounting to more than 35 percent of our revenue. Staff-Major Jallud went on to say that since 1972 and after America withdrew its undertaking to pay the price of the dollar with gold, it considered this equivalent to a declaration that the dollar was no longer the main currency. As had been the case in 1948 when the International Monetary Fund was established.

He illustrated saying: "We do not know how the Europeans look upon the current attempts to find a unified currency for the European money. We in the Jamahiriya expect that if these attempts succeed, in spite of the political and economic problems facing them, it is possible for it to become a main currency which will contribute to solving the monetary problems following the decline of the dollar.

Staff-Major 'Abd as-Salaam Jallud pointed out in his speech at the dinner banquet that all the attempts that had been exerted through the United Nations and through the so-called conference of north and south had failed to find a solution for this problem, and they had also failed to find a solution for the economic problems which would allow the progressed nations to continue in their progress, and allow the poor and developing nations to commence their development. The reason for this is selfishness. Staff-Major Jallud said that the nations of the Third World cannot develop their political, economic and social independence under the shadow of this unrewarding system that destroys their aspirations for the development of their independence after the disappearance of the aspects upon which the economic system was built after the Second World War and the emergence of new aspects. In his speech Staff-Major 'Abd as-Salaam Jallud called upon the nations of the world to face this problem. He said that the nations of the Third World cannot perform anything on their own if the industrial countries and the progressed countries are not serious in finding a solution of this problem. Staff-Major Jallud pointed out that when the oil producing countries put up oil prices in 1973 at a reasonable rate, they were accused of intending to destroy the world when in fact the tragedies which are witnessed by the world are a result of the diseases from which the progressed countries suffer, for the collapse of the dollar causes severe and destructive damages which are accepted by the world as an imposed matter. Staff-Major 'Abd as-Salaam Jallud confirmed that unless a genuine solution is found with the cooperation and the (?sense) of responsibility by everybody, the hope of the developing nations for the development of their economies and the exploitation of their wealths will be an illusion and a mirage.

Staff-Major Jallud reiterated at the end of his speech his welcome to Mr Andreotti and his accompanying delegation in the Jamahiriya, in spite of the short duration of this visit. He said that Libyan Arab-Italian discussions held today have proved that we are in agreement about many issues, and in similar position about very few [as received] issues. They have also proved that there are convictions about the necessity for finding channels and roads for cooperation and mutual benefit. Mr Giulio Andreotti expressed his pleasure and appreciation for visiting the Socialist People's Libyan Arab Jamahiriya. He also expressed his gratitude for the invitation forwarded to him for this visit, and for the warm hospitality and generosity with which he and the members of his delegations were received in the Jamahiriya land. In a speech given at the dinner banquet given in his honour yesterday evening at the "guest palace" in Tripoli by Staff-Major 'Abd as-Salaam Jallud, Mr Andreotti said that Italy endeavours to consolidate its relationship with the Jamahiriya in various fields. He emphasized the importance of this cooperation in creating a base for Arab-European cooperation. Praising the dicta of the green book, Mr Andreotti said that the human ideas included in the first and second chapters of the green book are great dicta which the Jamahiriya should export to the rest of the world's nations. He added that the dictum "the house belongs to its occupier" is a great human idea which I shall present to the parliament. Mr Andreotti confirmed that the Arab nation with its civilization contribution and great human creativity in the human march and in scientific, philosophical and other fields can regain its civilization role in cooperation with the rest of the nations and in participation in the establishment of a constructive and purposeful dialogue among them.

Mr Andreotti ended his speech by stressing the importance of the continuation of contacts and meetings between the two sides in order to consolidate the ties of friendship between the peoples of the two countries.

BEGIN ANNOUNCES CABINET AWAITS EGYPTIAN CLARIFICATIONS

TA151617Y Tel Aviv IDF Radio in Hebrew 1510 GMT 15 Nov 78 TA

[From the Afternoon Newsreel]

[Excerpt] Here are excerpts from Prime Minister Menahem Begin's statements at the end of the cabinet session. [begin recording]

[Begin] Ladies and gentlemen, according to the latest reports Egypt is about to submit new proposals--or demands--concerning the negotiations between the two countries. These reports are not yet official or complete, and therefore the cabinet has decided to hold the political debate after Egypt's new, additional positions are clarified. [end recording]

DAYAN, WEIZMAN HOLD LONG TALKS ON NEGOTIATIONS

TA151407Y Jerusalem Domestic Service in Hebrew 1400 GMT 15 Nov 78 TA

[Excerpt] Foreign Minister Moshe Dayan today held lengthy talks with Defense Minister 'Ezer Weizman and heard a report on the negotiations in Washington. Our correspondent says that the impression in Washington is that the administration is worried over the developments in the negotiations.

CARTER URGES CABINET TO AVOID 'HASTY DECISIONS'

TA151730Y Jerusalem Domestic Service in Hebrew 1700 GMT 15 Nov 78 TA

[Text] U.S. President Jimmy Carter met with Defense Minister 'Ezer Weizman, and our envoy Shalom Qital reports that during the meeting Carter wanted to influence the Israeli Cabinet not to be hasty in making decisions until Egypt's new position is clarified. Our correspondent says that both the White House and Israeli sources in Washington have not confirmed the fact that the meeting took place.

As for the new Egyptian proposals, sources in the Egyptian delegation in Washington told our envoy that the distinction Cairo makes between Gaza and Judaea and Samaria was not intended to make things more difficult for Israel, but to make things easier for it. If no interlocutors are found to discuss Judaea and Samaria, Egypt would be prepared to discuss Gaza separately and have the autonomy implemented there without dealing--for the moment--with the problems of Judaea and Samaria.

KNESSET COMMITTEE 'OUTRAGED' AT PROPOSAL ON LINKAGE

TA151641Y Tel Aviv IDF Radio in Hebrew 1510 GMT 15 Nov 78 TA

[From the Afternoon Newsreel]

[Text] The Knesset Foreign Affairs and Security Committee was outraged today when a group of coalition Knesset members, among them Chairman of the Committee MK Moshe Arens, submitted a draft proposal demanding that the cabinet not make any commitments on the future of Judaea, Samaria and Gaza during the negotiations with Egypt. Those who proposed this enjoyed an incidental majority and only the stubborn demand of MK's Pessah Grupper from the Likud and Yosi Sarid from the Alignment that the session be ended--for the purpose of holding faction consultations--prevented the proposal from being passed.

Our Knesset correspondent Moshe Hakohen reports. [begin recording]

[Hakohen] The session of the Knesset Foreign Affairs and Security Committee, which heard a current intelligence report from the deputy head of intelligence branch was nearing its end when, following coordination with the chairman of the committee, the chairman of the MAFDAL faction, Yehuda Ben-Me'ir, suddenly raised a draft proposal demanding that the cabinet make no commitments on the future of Judaea, Samaria and Gaza in the negotiations with Egypt. MK Ben-Me'ir presented the proposal in behalf of four Knesset members, besides himself: the chairman of the committee Moshe Arens, Yiga'el Horowitz from the Likud La'am faction, Yosef Rom from the Herut faction in the Likud and Hayyim Druckman from the MAFDAL.

[Ben-Me'ir] We have the Camp David accords, which the cabinet has signed, the Knesset has approved and Israel is fulfilling. According to these accords, negotiations should now be conducted on a peace treaty with Egypt. Linking the issue of giving commitments, a timetable, dates and the like to the negotiations with Egypt goes against the framework agreements and puts the agreement with Egypt into question. I think that an unequivocal decision against this should be made, as I will also propose; making a clear-cut decision against giving a special status to Egypt in the Gaza Strip, something which is, as far as Egypt is concerned, a complete reversal of what had been agreed upon at Camp David.

[Hakohen] MK 'Aqiva Nof from the coalition's Democratic Movement also raised his own proposal--after a coordination with the other five. It demands, among other things, that the cabinet not make a commitment to a timetable for the implementation of autonomy in the negotiations with Egypt.

The group of people who raised the proposal had recruited votes among its supporters. Thus, there was a majority of 7 Knesset members who supported the proposal against 4 who opposed it: Yosi Sarid from the Alignment, Zerah Warhaftig from the MAFDAL, Me'ir 'Amit from Shay and Pessah Grupper from the Likud. To prevent the proposal from being accepted, MK's Sarid and Grupper demanded that the session be adjourned to allow the factions to hold consultations. Pessah Grupper clarifies.

[Grupper] I announced that it goes against the regulations and that I requested that the proposal be rejected outright. If it is not rejected outright, I asked for a faction consultation. I also think that on such an important issue, it is beneficial for the Likud faction to discuss it. I am happy that the chairman rejected the proposal made by MK Ben-Me'ir, and I have also approached the chairman of the Likud faction and requested that the faction be convened immediately to discuss this proposal.

[Hakohen] At first, it was decided that the Knesset Foreign Affairs and Security Committee convene to discuss the draft proposal at 1700 tonight, but finally it was agreed that the debate be put off until tomorrow at 1500. In tomorrow's session, Foreign Minister Moshe Dayan will participate, and he will clarify the cabinet's position for the committee members. [end recording]

MODA'I CLAIMS FIVE 'STUMBLING BLOCKS' REMAIN IN TALKS

TA151831Y Jerusalem Domestic Service in Hebrew 1705 GMT 15 Nov 78 TA

[From the Evening Newsreel]

[Text] Five stumbling blocks still remain in the negotiations between Israel and Egypt, Energy and Infrastructure Minister Yizhaq Moda'i said upon his return from the Washington talks. Mr Moda'i agreed to specify only three of the five stumbling blocks which still prevent the achievement of the agreement: the issue of the linkage between the timetable of the agreement with Egypt and the arrangement concerning Judaea, Samaria and Gaza; the oil issue; and the problems of U.S. aid. Our correspondent on economic affairs, Yosi Melman, talked with Energy Minister Yizhaq Moda'i at Ben-Gurion Airport [begin recording]

[Moda'i] No, the talks have not ended, the talks are proceeding and I can say that at this moment we are continuing the clarification of the latest proposal which was raised yesterday.

[Question] According to various publications, some of which have also quoted you, there is no progress and in fact each party sticks to its own positions?

[Answer] This is not so. There is progress and there has been progress throughout the negotiations, but when you say "progress" you still have not said anything because the question is how much progress has been made. I think that the initial basis for an agreement may now have been created.

[Question] What about the principle question concerning Israel's special rights to the 'Alma oilfield, by virtue of its having been the one who discovered the field?

[Answer] We shall reply to this when the negotiations end.

[Question] Could you specify in which areas progress has been made?

[Answer] We will also reply to this when the negotiations end.

[Question] Do you intend to return to the Washington talks? And if so, when?

[Answer] If it is necessary, I will return to Washington. The date for my return, if at all, is linked to the date of the continuation of the negotiations in general. It is inconceivable that we will advance the issue of the oil if a final solution is not found for the other issues.

[Melman] So much for the oil issue. The energy minister was also asked whether he felt an atmosphere of crisis in the Washington talks. He replied: The atmosphere of the negotiations in Washington is unique, and indeed, from time to time there are minicrises. [end recording]

BEGIN DIFFERS WITH DAYAN, WEIZMAN ON U.S. COMPROMISE

TA151203Y Tel Aviv MA'ARIV in Hebrew 15 Nov 78 pp 1, 2 TA

[By Yosef Harif]

[Text] Foreign Minister Moshe Dayan, who participated day before yesterday in the talk between Prime Minister Menahem Begin and U.S. Secretary of State Cyrus Vance at the New York airport, said, while Vance was presenting the draft compromise proposal, that he would be ready to accept it, if the Egyptians accepted it, too.

The fact that this stand is not backed by the prime minister, who rejects any suggestion of a timetable, has given rise to various speculations on the ability of the foreign minister to continue the negotiations with Egypt, if the cabinet decides to reject the U.S. proposal.

The two ministers who are heading the Israeli delegation to the negotiations, Moshe Dayan and Ezer Weizman, are willing to accept the U.S. proposal, which stipulates Israeli-Egyptian negotiations on establishing the autonomy, including the holding of elections before December 1979. They are apt to tell the cabinet that they have exhausted every possible venue of the negotiations. If Egypt accepts the U.S. compromise proposal, then the cabinet may have to appoint another negotiating team to replace them.

At first glance, such a possibility appears to be impractical. Cabinet members are closely watching all possible developments, which may include a crisis involving the drawing of conclusions by the foreign and defense ministers.

It seems that the prime minister is aware of the implications of a cabinet decision rejecting the U.S. compromise proposal. Nonetheless, his associates are saying that he is firm in his stand that there should be no approval of a proposal that explicitly stipulates dates likely to limit the time of the negotiations.

Yesterday the prime minister talked with MAFDAL leader and Interior Minister Dr Yosef Burg and, as the consultations in the MAFDAL indicate, the cabinet members of that party will be backing the prime minister. In view of the statements made at the cabinet session last Sunday, it is estimated that a decisive majority of the cabinet will reject the U.S. proposal.

The prime minister made clear in private consultations that he would not agree to deviate from the Camp David accords, and that he insisted on adhering "to their letter and their spirit."

The foreign and defense ministers claim that since the cabinet agreed that the negotiations on establishing autonomy would start 1 month after signing the peace agreement, and since the cabinet is actually ready to discuss everything involved in the realization of autonomy, it need not fear the date suggested by the United States. Political observers in Jerusalem believe that the U.S. proposal, as it was submitted by Vance to the prime minister, came only after Vance had been convinced that it would be acceptable to Dayan and Weizman.

Many cabinet members are also opposed to this concept because the negotiations cannot be conducted on every detail but only on the general framework and methods of implementing the autonomy plan, since according to the Camp David accords, the complete realization of the plan must also be discussed with Jordan and the Palestinians living in Judea and Samaria.

After hearing a report by the foreign minister and assessments from the prime minister, the cabinet will hold a political discussion today. The discussion will be continued at another cabinet meeting tomorrow, after which resolutions will be taken.

Last night a telephone conversation took place between Foreign Minister Moshe Dayan and the prime minister and today they are apparently due to have a private talk "to clarify positions." It seems that at that talk Dayan will make it clear to the prime minister why he (Dayan) supports the U.S. position, and stress that he is willing to accept it only if Egypt announces its acceptance in advance.

BARAQ LEAVES NEGOTIATING TEAM TO RETURN TO COURT

TA160704Y Tel Aviv HA'AREZ in Hebrew 16 Nov 78 p 1 TA

[By 'Uzzi Benziman]

[Text] Prof Aharon Baraq has resigned from the team conducting the negotiations with Egypt and will be returning to the Supreme Court in the next few days.

Baraq's resignation proves that the negotiations between Israel and Egypt have now reached a crossroads and that the focal point of the negotiations in the future might shift to the status of the West Bank and the Gaza Strip.

When Baraq left for the Blair House talks, it was emphasized that he would complete the work he had begun at the Camp David summit, but would not be involved with the deliberations on the future of the West Bank and the Gaza Strip. His resignation proves that he feels that he has exhausted his role. It is still unclear who will replace him on the negotiating team, if anyone is to do so. It is similarly not clear whether the political team headed by Dayan will return to Washington in the next few days.

DAYAN, WEIZMAN REPORTEDLY ON BEST OF TERMS

TA151212Y Tel Aviv YEDI'OT AHARONOT in Hebrew 15 Nov 78 p 3 TA

[Text] Numerous members in the Israeli delegation to the Washington talks feel that for some weeks now cordial relations have prevailed between former in-laws Moshe Dayan and 'Ezer Weizman.

A member of the delegation has said: "Since the 50's the relations have not been as close and cordial as in the last 2 weeks."

According to delegation members, the two consult with each other on everything, and they respect each other's views. One member described the relations between the two ministers as "almost idyllic."

One manifestation of the good relations is Weizman's "withdrawal" behind the scenes. He refuses to talk to correspondents and is referring them to his former brother-in-law Dayan, who is the Israeli delegation's spokesman.

'VIOLENT ROW' IN CABINET ON URBAN CENTER PLAN LEAKAGE

TA160730Y Jerusalem POST in English 16 Nov 78 p 1 TA

[By Asher Wallfish and David Landau]

[Text] The recent leak of Agriculture Minister Ari'el Sharon's plan to build a new Jewish town in Gaza was the cause yesterday of the most violent row between ministers that has ever occurred in the Begin administration. The eruption took place during a cabinet meeting in the Knesset building. Those present agreed to keep the affair secret, and some denied afterwards that it had taken place. A well-authenticated reconstruction of the altercation has nevertheless reached the Jerusalem POST:

Ari'el Sharon to Deputy Premier Yiga'el Yadin: I want to know, sir, why you have joined the chorus of baying hounds that is shedding my blood. Why are you speaking wicked slander about me? I want it to be written into the minutes that I was not responsible for the leak, nor were any of my staff. I spoke to (Premier Menahem) Begin about the plan, and he approved it.

Begin: Arik spoke to me, but I did not give any approval. I explained his plans would have to be submitted to the appropriate bodies.

Yadin: Arik is wrong. I was not the first to talk to the media. (Yadin's attack on Sharon was reported in yesterday's press.) When (Housing Minister) Gid'on Pat asked me about the matter a few days ago, I said it never received any official endorsement, and had not even been discussed. After Arik spoke to the media about the matter, I aired my own views inside my faction. But he spoke first.

Pat to Sharon: You are a person who never built anything in your life. All you know is how to talk and talk.

Sharon to Pat: And all you do is boast of things that other people built.

Pat to Sharon: You are paranoid.

Begin: The word 'paranoid' is to be struck from the minutes.

Pat: ...The difference between us is that I am a responsible person, and I do not leak things which harm the state.

Foreign Minister Moshe Dayan: I recall that Arik told me about a plan he had, and showed it to me in writing. But the plan which was published was something else. The way it was published and the timing did us harm.

Sharon: At any rate, I insist that it be recorded in the minutes that the leak had nothing to do with me.

Begin: I am so happy to hear that the minister of agriculture had nothing to do with the leak...

One of those present during the exchange said he detected a note of irony in the prime minister's last remark. Yadin, at any rate, refused to withdraw the criticism he had made of Sharon.

It was later learned that Premier Begin was busy reading a cable from Defense Minister Ezer Weizman (in Washington) when Sharon referred to Yadin as a "baying hound." Otherwise, said a source close to the premier, he would certainly have ordered that phrase, too, struck from the record.

PERES BLAMES EGYPT FOR NEW HALT IN PEACE TALKS

TA151833Y Jerusalem Domestic Service in Hebrew 1705 GMT 15 Nov 78 TA

[From the Evening Newsreel]

[Text] Israel has agreed upon the linkage between the solution in Sinai and the future of Judaea, Samaria and Gaza, Labor Party Chairman Shim'on Peres said tonight at a meeting of the Canadian Pioneer Women, which opened today in Jerusalem. There is no point in denying this agreement, and it is not the question of the linkage which delays the signing of the peace agreement, but Egypt's new demands. [begin recording]

[Peres--in English] What Egypt added today is not just a demand, as the French say, en principe, of a linkage between the West Bank and the Sinai Peninsula, but what they want is a timetable of the Israeli withdrawal, in fact, from the West Bank.

Again it would not be too bad had we had a partner for a settlement in the West Bank. For the time being, such a partner in real terms does not exist. [end recording]

ARENS DISCUSSES PEACE TREATY ISSUE, U.S. POLICY

TA150800Y Jerusalem POST in English 15 Nov 78 p 12 TA

[By Mark Segal]

[Text] The soft-spoken chairman of the Foreign Affairs and Defence Committee, Prof Moshe Arens, has returned to Israel with a sombre message from Washington.

"It is absolutely clear," he said, "that the Carter administration has come down very heavily on the side of the Arab position and is pursuing--as a matter of policy--a grand design aimed at pushing Israel back to the 1967 lines."

The Americans have made this known for some time, but now their basic policies are in keeping with Saudi Arabian considerations, and they are highly sensitive to Saudi influence on oil supplies and the U.S. monetary system.

Arens believes U.S. policy today is having a destabilizing influence on the peace-making process: President as-Sadat had been amenable to certain arrangements with Israel, but the extremism of the U.S. position had, in turn, pushed him towards a more extreme position. Arens mentioned Carter's latest public statement expressing concern that the negotiations were not keeping to an American timetable. But he did not accept the idea being mooted by a number of liberal MKs that the peace talks should be suspended for at least a month.

The chairman of this most important of parliamentary units is an unusual figure in Herut. He has managed to scale its hierarchy (he is party vice-chairman) while being one of Israel's leading experts in aeronautics--his specialization at the Technion. He has long been associated with Israel Aircraft Industries and (though he does not talk about it) played a key role in developing the Kfir fighter-interceptor.

He is also an old friend and associate of IAI founder and former general manager, Al Schwimmer, and he is deeply pained at a report (wrong, as it turned out) that intimated he had a hand in Schwimmer's exit from IAI and departure--for a year with his family--to the U.S.

Arens was among those who voted against the government in the Camp David debate in the Knesset. He did so out of concern for long-term rather than short-term results.

Did Arens believe the Carter administration is seeking to stampede Israel into a peace settlement? Arens replied carefully: "As you know, the prime minister originally proposed at Camp David that there be a two-month deadline for signing the treaty. To my mind, we have to do all in our power to ensure that we protect our basic interests."

Had he discerned the widespread disquiet in Israel over the negotiations? Yes, he had. And it had to do with the U.S.-Egyptian demand for a linkage between the two Camp David agreements. He saw the greatest threat to peace in such a linkage.

"Irrespective of the legal interpretation and whether the appropriate phrases be in the preamble or in the body of the peace treaty, it may be used eventually as an excuse by the Egyptians to abrogate the treaty after we have pulled out of Sinai. If it bears such a condition, then we could well end up by handing back Sinai and getting nothing in return."

"Why," he asked, "should the Egyptians want to include the clause in the treaty unless they are contemplating such an exigency?"

Was the professor concerned about leaving a demilitarized Sinai without an early-warning station--an apparent concession by the Israeli negotiating team? "We have been living with the trauma of the Yom Kippur attack. We must have an early-warning facility now that we are ready to pull back. It is essential--particularly as it presents no threat to Egypt, having no offensive potential whatsoever. Moreover, the U.S. and Egypt would do well to consider it as a stabilizing element for peace."

Arens wants the oil supply issue to be incorporated in the peace treaty. This has assumed great urgency in the light of the current suspension of the supply of Iranian oil, "which has reminded us of our tenuous position." Sinai has the potential to supply all of Israel's needs, and Arens believes Israel must have ironclad assurances of oil supplies for the coming 20 years before signing the treaty: "Otherwise," he said, "Israel could be left without any oil, and a weak Israel would mean that peace would be unstable."

Arens added that any agreement should contain a clause that the cessation of the oil flow would be regarded as a violation of the peace treaty. "I want to emphasize that it is our wish to have elements built into the treaty ensuring a stable and durable peace."

He was also concerned that the economic implications of peace had not been given suitable attention: "The peace treaty has to provide a balance between the ensuing political gains and the weakening of our defence posture. Leaving Sinai and having to redeploy our airfields and other defence installations, as well as resettling the Sinai settlers, will undoubtedly involve an outlay of billions of dollars."

He had heard estimates ranging from \$3 billion to \$10 billion and noted that "it is high time we made a proper study of this matter and reached precise figures."

Israel, he said, would have to make large cuts in its defence budget if it shouldered the burden alone--and such cuts would leave Israel in a much weakened state. Israel should receive assistance from the U.S., he said. "This matter has to be settled before we sign the peace treaty. I say in all seriousness that we have to hold up the treaty until this matter is resolved lest we emerge dangerously weakened."

But he cautioned against jumping to too many conclusions too quickly. "It is still too early to say clearly whether a conflict is building up over the financial question. At present, we are at the stage of shadow-boxing. But if a conflict arises and the Carter administration says 'no,' then we will have no choice but to appeal to American public opinion and to our friends there, including the Jewish community.

"It is an essential part of the peace-making process, and if it is not properly taken care of, there won't be a stable peace."

On the question of Carter's declared impatience with Israel's democratic processes, Arens noted that the President had never concealed that his policy had been guided by the Brookings Institution report, which advocates pushing Israel back to the 1967 lines, including East Jerusalem.

"On issues like this we have to stand firm. We have to tell the U.S. that we are not going to court suicide. Israel will never be able to defend itself within the 1967 lines, and if Washington does not wish to invite a new conflagration it should not push us."

During his visit to Capitol Hill Arens met a number of key congressional figures, among them Senators Frank Church and Richard Stone. Church is soon to become chairman of the Senate Foreign Relations Committee and Stone is chairman of the Middle East Subcommittee. Both men expressed warm friendship for Israel, and both were eager for peace, aware of the major risks Israel was taking. Arens was comforted by the many friends Israel has in Congress.

But Israel now has to realize, said Arens, that a new U.S.-Egypt relationship was in the making. "As far as we are concerned it's all to the good if the Americans help Egypt get on its feet. But we have to vigorously oppose the supply of such sophisticated weaponry as advanced aircraft like the F-15 and F-16, which were of potential use against us," he said.

Indeed, he would seek strong assurances from Washington on this score before signing any peace treaty.

In view of the sharp exchange between acting Premier Yigael Yadin and members of the Foreign Affairs and Defense Committee, did Arens believe there was a crisis between government and parliament? "Perhaps those who say that the government does not provide information to the committee think there is a crisis.

"I do not. As far as I see it, the committee gets all the information it needs. In some cases the flow is greater than in the past."

He notes that a number of committee units had been created since he assumed office, thus extending parliamentary control over the defence establishment: A sub-committee on the intelligence services had been created, bringing the Mosad for the first time under the Knesset's watchful eye. The committee unit includes former intelligence chiefs like Me'ir Amit and Aharon Yariiv. Arens is its chairman. Another sub-committee supervises arms procurement and it is headed by Professor Yosef Rom, an Israel prize laureate in aeronautics. Arens also praised the sub-committee on Lebanon.

The reportedly sharp exchange between Chief of Staff Lt Gen Refael Eytan and committee members had been exaggerated by the press, he said. He was in sympathy with the complaint about committee members leaking secrets to the press.

"The nub of the issue has to do with the extent to which some of the items connected with negotiations should be given to the committee while the talks are actually under way. The problem arises because the negotiations are secret.

"I am equally unhappy with those committee members who divulge details as with the press for publishing them. I concur with those who argue that the negotiations should be conducted openly, and I assume that those who leak such stories do not wish to harm the national interest. Nor could I ever imagine that the editorial staff of any newspaper might wish to damage the country."

He did not believe that Israel benefited by having the negotiations conducted in secret, "but Egypt is run by a dictatorship so it is obvious they prefer secrecy. We are a democracy and what is being discussed affects every Israeli and the future of his children. Therefore, the negotiations should be public knowledge. But that is not the view of the government, so I have to honour my oath and not divulge the proceedings."

On international politics, the Herut vice-chairman said he was opposed to advancing elections; he saw no reason for the Likud to consider its mandate to make peace and govern as having ended. He remarked, with some sarcasm, that ex-premier Rabin had made a mistake by calling early elections--"and you know what happened then. So why should we risk it?"

As deputy to the party chairman, Arens presides over party central committee meetings, and he does not expect a negative vote on the Camp David proposals when the committee meets on November 19. He anticipates instead a full discussion which will sketchn the extent of the risks Israel might take for peace.

Arens does not agree with the strictures on the Likud Knesset faction's behaviour. There were deep disagreements over strategy, he said, and the sound of discussion only reelected the nature of the party's democracy.

SETTLEMENT ACTIVITY WILL HAMPER REDEPLOYMENT PLANS

TA152030Y Jerusalem Domestic Television Service in Hebrew 1900 GMT 15 Nov 78 TA

[Text] The fleshing-out in Judaea and Samaria will harm the speed of preparing the infrastructure for the IDF redeployment in the Negev. This was revealed today at a meeting of the directors general's committee for coordinating the redeployment. Our military correspondent 'Amiram Nir reports that the fleshing out activity will place a burden on the manpower and equipment resources intended for work in the South.

In today's debate, Maj Gen Yohanan Gur, the quartermaster general, reviewed the plans for transferring the IDF camps and units from the Sinai to the Negev. It has been reported that the security construction work in the Negev will be permanent and industrial, with an emphasis on environmental planning to make possible the transfer of the regular servicemen's families to the area. All in all, 800 km of roads will be paved in the Negev and approximately 500 km of water pipelines will be laid.

Withdrawal Plans Completed

TA151802Y Jerusalem Domestic Service in Hebrew 1705 GMT 15 Nov 78 TA

[From the Evening Newsreel]

[Text] The committee of the directors general of the ministries to coordinate the IDF redeployment in the Negev and to examine the influence of this redeployment on the activity of the various ministries met today for the third time. In addition to the regular team of directors general, directors general from the Ministry of Absorption, Education, the Water Authority and the Jewish Agency's Agriculture Department also participated in the meeting. Our military correspondent Roni Daniel reports on this meeting.
[begin recording]

[Dani'el] The practical plan for the IDF's evacuation from the Sinai is almost completely finished, and the IDF will fulfill the mission of evacuating the units and dismantling the bases in the timetable set in the political negotiations. IDF headquarters' quartermaster general, Maj Gen Yohanan Gur, today presented to the directors general's committee the IDF plans, the quantities of equipment that have to be removed, which camps will be dismantled and transferred to the Negev, how many trucks will be needed for this campaign. All in all, he said, the IDF will be able to carry out the evacuation campaign on its own, without the help of any civilian elements.

The intention is to dismantle everything that can be dismantled and rebuild it in the Negev. The directive is to leave the Sinai and the IDF camps which cannot be dismantled intact and in order as much as possible.

IDF training and supervision teams will follow the dismantling and evacuating works.

The directors general's committee decided today to set up four additional subcommittees--making seven subcommittees--a subcommittee for industry and natural resources, communications, manpower, land transportation, regulating land works and construction, a water committee and a committee for energy and electricity. Each of these subcommittees will have a representative from the IDF as well as representatives of the ministries which have to deal with the issue at hand.

The subcommittees are each to submit a detailed document in its field, specifying the ways in which the issues which it is in charge of will be carried out. Along with all this, a planning team for the development of the regional infrastructure will be established, which will include representatives of the following ministries: defense, finance, agriculture and construction. This team is to serve as a tool to rapidly coordinate plans for developing an infrastructure as required due to the redeployment. [end recording]

CALIFANO ENDS VISIT IN ISRAEL, LEAVES FOR EGYPT

TA160937Y Jerusalem Domestic Service in Hebrew 0900 GMT 16 Nov 78 TA

[Text] U.S. Health, Education and Welfare Secretary Joseph Califano today ended his visit in Israel and left for Cairo. At Ben-Gurion Airport he was bid farewell by his counterpart Zevulun Hammer and by the U.S. ambassador in Israel.

Califano stayed 4 days in Israel and during his visit he signed a U.S.-Israeli agreement on cooperation in matters of education. He said his visit in Egypt would be devoted to the sphere of health.

WEST BANK MODERATES CRITICIZE POLICY ALLOWING PLO RALLIES

TA150550Y Jerusalem Domestic Service in Hebrew 0500 GMT 15 Nov 78 TA

[Text] Personages from the moderate camp in Judaea and Samaria have leveled sharp criticism at the policy of military authorities allowing rallies of PLO supporters. They have conferred with the coordinator of activities in the territories, Maj Gen Avraham Orli, claiming that the rallies will undermine the moderate foundations in the West Bank and foil the autonomy plan. Among those participating in the meetings was Hikmat al-Masri from Nabulus. He surprised many at a rally held in Nabulus recently when he expressed unreserved support for the PLO.

WEST BANK NOTABLES, PRESS OPPOSE AS-SADAT PROPOSAL

TA151822Y Tel Aviv IDF Radio in Hebrew 1510 GMT 15 Nov 78 TA

[From the Afternoon Newsreel]

[Text] Judeaea and Samaria mayors and notables reject the attempt to differentiate the discussion of the Gaza district from that of the future of Judeaea and Samaria. The Arab press published in Judeaea and Samaria also came out today against the Egyptian President's latest proposal. Here is a report by our correspondent in Judeaea and Samaria Midha'el Maymon. [begin recording]

[Maymon] According to unofficial reports from Cairo, Egypt's President Anwar as-Sadat linked his latest demand with criticism of the negative position of the inhabitants of the territories toward the Camp David accords and with a threat that their position will ultimately force him to form a new policy on the Palestinian problem.

As-Sadat's criticism of the position of the inhabitants of the territories has caused much anger here and aroused the local press to again attack the Egyptian president, whose popularity in this area is, in any event, very low.

The front-page articles of the three dailies: AL-QUDS, AL-FAJR and ASH-SHA'B deal with this issue. AL-FAJR writes that after he has alienated himself from the problem of the Palestinians and their right to a state, As-Sadat is now striving to separate the Gaza Strip from Judeaea and Samaria.

In its front-page article, AL-QUDS calls this proposal dangerous and regards it as a first expression of As-Sadat's dissatisfaction with the position of the inhabitants of the territories toward his policy.

Judeaea and Samaria mayors and notables with whom I talked today also reject As-Sadat's latest proposal. Hebron Mayor Fahd al-Qawasimi regards the Gaza district as an inseparable part of Palestine and objects to separating it from Judeaea and Samaria. Nabulus Mayor Bassam ash-Shak'a regards this proposal as an additional withdrawal of As-Sadat from the Arab position and scornfully says that in the next stage As-Sadat will conduct negotiations only on Cairo. We are not surprised because we do not expect anything of As-Sadat, Bassam ash-Shak'a says.

Anwar al-Khatib, one of the heads of the pro-Jordanian camp in Judeaea and Samaria, shares a similar view. He thinks that As-Sadat's proposal is illogical. This is one country and one people and they cannot be separated. [end recording]

Hebron's mayor announced that soon another meeting against the Camp David agreement will be held in his township, a meeting whose timing will be determined by the developments.

AID ACTIVITY BY U.S. CONSULATE IN JERUSALEM

TA150648Y Jerusalem Domestic Service in Hebrew 0600 GMT 15 Nov 78 TA

[Text] Our correspondent Pinhas 'Inbari has learned that officials from the Agency for International Development in the U.S. State Department have arrived at the Jerusalem U.S. Consulate. Their duty is to examine the ways of transferring large-scale U.S. aid to development plans in the territories. The Washington officials are consulting with the heads of the U.S. charity associations operating in the territories.

These associations are meant to be the channel through which the U.S. aid will be transferred to the territories. The United States cannot extend direct aid, since that would mean circumventing Israel.

Our correspondent reports that in fact large-scale U.S. aid to various institutions in the territories has begun. The Americans have supported educational institutions such as the (Al-Najah) college in Nabulus and the college for engineering studies in Hebron. In addition, they have extended aid to hospitals and economic institutions.

Our correspondent has also learned that the head of King Husayn's bureau, ('Abdul Hamid Sharaf), has summoned the religious leaders in Judaea, Samaria and East Jerusalem for a meeting in Amman to organize them for anticommunist activity. Shaykh Hilmi al-Mukhtasib who heads the Supreme Moslem Council is among those invited to Amman. He left for a pilgrimage to Mecca and will get to the meeting on his way back.

Making West Bank Contacts

TA160744Y Jerusalem Domestic Service in Hebrew 1705 GMT 15 Nov 78 TA

[From the Evening Newsreel]

[Text] U.S. State Department officials who deal in aid to developing countries have arrived at the U.S. Consulate in East Jerusalem to explore ways of large-scale aid for development projects there. Our correspondent Pinhas 'Inbari reports:

[Inbar] Consulate personnel and the consul general himself have fostered in Judaea and Samaria a large-scale and intimate network of relationships which, perhaps, is not even inferior to the relationships that officers of the military government have managed to develop in the area. However, unlike the military administration employees, the consulate officials are not averse to wooing actual PLO sympathizers, and their relations with those kinds of notables are, at least, much better than those Israel is maintaining.

Practically no one has any doubts about the objective of the consulate personnel's hard toil to create a basis for loose relations and to find common interests with dignitaries who might, in time, occupy key posts in some sort of a Palestinian entity. The means to achieve this end are, as a rule, handing out money to various institutions or granting benefits to dignitaries, such as tempting invitations for crosscountry tours in the United States, studded with lectures and meetings with senators, usually from the pro-Arab lobby.

This activity is, naturally, not always in line with the interests of Israel, particularly as it is being done behind its back, in a territory that is under its jurisdiction. There have already been a few diplomatic incidents that have not become public knowledge. About 2 years ago, Commercial Attache Daniel Nastoff had to pack his suitcases, after it was learned that he had advised businessmen in Samaria to eliminate their business with suppliers in Israel and order their goods directly from the producer in the United States.

Is the consulate succeeding in its task? Only a few dignitaries in the territories agreed to meet with U.S. diplomats Saunders and Atherton, and in rallies in Judaea and Samaria bitter criticism has been levelled at Washington's part in the Camp David accords. These facts do not indicate that the consulate's efforts are indeed fruitful.

LEBANESE CHRISTIANS COOL RELATIONS WITH ISRAEL

TA152022Y Jerusalem Domestic Television Service in Hebrew 1900 GMT 15 Nov 78 TA

[Text] In the last few weeks the Christian leadership in Lebanon has taken action to substantially limit its ties with Israel. This has been learned by our correspondent on Arab affairs Ehud Ya'ari. He says that one of the expressions of this trend is the order issued by the Phalangist headquarters to cut off radio contact between it and the Christian militias in southern Lebanon near the Israeli border.

This change in the Christians' position has, according to our correspondent's estimates, two main reasons: first, the Christian leadership's belief that it has no other choice but to try to reach an understanding with Syria and the PLO and insure at least part of the rights of the Christians in the country; second, the Christian leadership's impression that it cannot rely on sufficient Israeli intervention in another military confrontation with the Syrians.

Western sources, especially France, have encouraged the Christians to reach such a conclusion. And against this background, our correspondent adds, several negative declarations against Israel have been voiced in Beirut in the last few days by the Christian leaders, including Camille Sham'un and Pierre al-Jumayyil, who in the past have quite often been charged with maintaining close ties with Israel and holding meetings with Israeli leaders.

INFLATION CONTINUES TO SEND PRICES SPIRALLING

TA160800Y Jerusalem POST in English 16 Nov 78 p 1 TA

[By Shlomo Maoz]

[Excerpt] The consumer price index rose during October in the biggest monthly jump since the "new economic policy" a year ago--5.7 percent. This brings the total rise this year to 34.8 percent, and that over the past 12 months to 53.7 percent. Economics circles in Jerusalem said last night that they expect the final rise for 1978 to reach 45 percent. The rapid rise in prices means that the real wages of salaried persons will already be less this month than they were in January, despite the recent wage increases.

As inflation continues to send prices spiralling, real wages will continue to shrink. It will take only a month to wipe out the 7 percent rise that workers are likely to get after a long struggle between the government and the Histadrut.

Histadrut Secretary-General Yeruham Meshel has already demanded that the cost-of-living adjustment be paid every three months, so that workers will not have to wait half a year for their wages to catch up with prices.

The Labour Federation is also about to demand that income tax brackets be kept constantly and completely linked to the price index, and that the C-O-L adjustment be 100 percent of the price rise, rather than 70 percent as it is today.

It appears that these items will be the focus of the coming struggle between the Histadrut and the government. The consumer price index, figured on a base of 100 for 1976, reached 224.6 by the end of October. The Central Bureau of Statistics calculates that the percentage rise in November will equal that in October.

NIOC ANNOUNCES INCREASE IN CRUDE OIL PRODUCTION, REFINING

LD151802Y Tehran Domestic Service in Persian 1030 GMT 15 Nov 78 LD

[Text] The NIOC has announced that crude production in the country's oilfields, which has reached 3 million barrels per day, is on the increase, and that the rate of oil refining at Abadan refinery, now standing at 470,000 barrels, and at Tehran refinery, now standing at 100,000 barrels, is on the increase.

The Tabriz and Kermanshah refineries are working in normal conditions; production at Tabriz refinery stands at 80,000 barrels per day right now, and all preparations have been made to start work at Shiraz refinery.

MAHSHAHR GAS PLANT CAPACITY TO BE INCREASED

LD151824Y Tehran Domestic Service in Persian 1530 GMT 15 Nov 78 LD

[Text] It was announced today that the processing capacity of the Mahshahr gas liquefaction plant will be increased from 57,000 barrels a day to 72,000 barrels a day. In order to overcome the current shortcomings in gas distribution, a diversion pipeline will be allocated to supply 60,000 tons of the Mahshahr plant's gas reserve for domestic consumption.

NIOC's Ansari Hospitalized

LD151424Y Tehran PARS in English 0724 GMT 15 Nov 78 LD

[Text] Tehran, 14 Nov, PANA--A spokesman for the National Iranian Oil Company (NIOC) announced today that the chairman of the board and the managing director of NIOC, Hushang Ansari, who went to the United States last week, had suffered a heart ailment and was hospitalized in the United States. During the recent strike by oil field workers Ansari spent one week in the southern oil fields negotiating with the workers and holding talks with experts.

TEHRAN REPORTS SITUATION IN VARIOUS TOWNS 15 NOV

LD151332Y Tehran Domestic Service in Persian 1030 GMT 15 Nov 78 LD

[Text] According to reports Tabriz was quiet today. The bazaar, shops, the university and schools there remain closed and the strikes by employees of the Finance and Economic Affairs Department and the tractor factory workers are continuing.

Esfahan was generally calm today, but because the bazaar is closed economic activity is suffering. During last night and today several incidents took place in some parts of the city. Our correspondent reports by telephone from Esfahan that the governorate authority is taking measures to remedy the shortage of food in the city. Also, the Sadriyeh school was closed by the police yesterday. This measure was taken following disruptive activity in this theological school and the city bazaar.

According to reports received from Mashhad city, various marches took place there today; this morning, after a march, over 500 women teachers and others gathered at Ayatollah Qomi's house.

Gorgan was generally calm today and shops were open in the city.

Our correspondent from Hamadan reports that Ayatollah Bahrami, a religious leader in this city, was arrested by the police on Monday night this week. He participated in the recent demonstrations by the people of Hamadan and gave speeches at demonstrations. Five other people who gave antigovernment speeches in recent demonstrations in Hamadan were also arrested while leading antinational demonstrations. According to our correspondent's report, the greater part of Hamadan's bazaar was closed today but main street department stores were open.

The 11 people who were arrested during the recent demonstrations in Gorgan were released last night.

Demonstrations took place in Marivan today following the arrest of some people who had caused unrest in the city while holding a meeting in front of the city's public mosque; the police initially asked this group to disperse, but the demonstrators continued shouting antinational slogans and refused to disperse after the use of water cannons. Following repeated warnings, the police had no choice but to fire into the air. In the course of this incident, there was a clash between the demonstrators and the police and a number were wounded. According to reports, the wounded have been admitted to the city hospital.

Situation in Qom, Azarbayjan

LD151250Y Tehran Domestic Service in Persian 1030 GMT 15 Nov 78 LD

[Text] The city of Qom remains closed for the 11th day today. Our correspondent reports that all shops, the bazaar, theological schools and educational institutions in Qom are closed. With the exception of one gathering held at the Hazrat-e Ma'sumeh shrine last night, no meetings have been held. The report adds that after the evening prayers, extensive demonstrations were held at this shrine last night and the demonstrators later dispersed without police intervention.

In western Azarbayjan, despite the resumption of educational activities in some of its towns all the schools in this province remain closed and teachers in Rezaiyeh are refusing to attend classes. At the request of the Rezaiyah religious community, the Rezaiyeh teachers ended their 16-day sit-in at the Justice Department of this city 2 days ago.

Incidents in Esfahan

LD151204Y Tehran Domestic Service in Persian 1030 GMT 15 Nov 78 LD

[Text] Esfahan, the big industrial city of Iran, was the scene of a number of incidents in the past 24 hours. In the city two troublemakers were surrounded by a crowd of people while attempting to set fire to a cinema. Later, when the police arrived, the arsonist attacked the police with knives. One of the attackers was shot by the police and the other escaped.

According to reports received from Esfahan, recently a number of people have attempted to deceive the public and exploit their religious feelings by holding mock funeral processions. This group provoked a riot by putting people in coffins and carrying them around the city streets. It is reported that one person pretended to be a corpse has been arrested and is being detained at present.

Further Reports

LD151804Y Tehran Domestic Service in Persian 1630 GMT 15 Nov 78 LD

[Text] With the death of three more people in the province of Gilan, the number of people killed in the Lahijan clashes has now risen to seven. During last night and today 20 of those injured in the clashes were released from the Red Lion and Sun Society and Ahmad Qavam hospitals. At present there are eight more people in these hospitals. One of them is in critical condition. In addition five more of those injured in the Lahijan incidents are hospitalized at the Red Lion and Sun Society hospital in Rudsar. According to our correspondent's report from Rasht, most of the shops were closed in Lahijan today. The schools also remained closed.

Following disturbances in Mazandaran provincial towns in recent days, the situation was calm in most towns today and the shops have reopened.

Orderly demonstrations were held by the people of Babol today and the demonstrators dispersed without the intervention of security forces.

According to a PARS NEWS AGENCY report, a group of people staged a march and demonstrations in Ilam today. Some of the demonstrators threw stones at security forces stationed in the streets to maintain law and order. The demonstrators later gradually dispersed.

TEHRAN REPORTS 'RELATIVE CALM', SOME INCIDENTS 16 NOV

LD161212Y Tehran Domestic Service in Persian 1030 GMT 16 Nov 78 LD

[Text] Relative calm prevailed throughout the country today, except in Esfahan, where there were a number of incidents last night and this morning. A bank and a bookstore were set on fire last night by unknown persons. Today, a group of people tried to stage demonstrations in Seyyed 'Ali Khan and Shah streets, but the demonstrators dispersed following intervention by security forces. A number of cars were damaged and a number of demonstrators arrested by the security forces. In addition, following demonstrations held at Seyl, Sorayya, Amin and Khorshid hospitals affiliated to the University of Esfahan, security forces stopped medical trainees from entering these hospitals. Many patients have now been discharged from these hospitals.

There have also been demonstrations in Sari. According to reports, these demonstrations ended without clashes. Most shops were closed there today.

Bushehr was completely quiet today and shops reopened yesterday after several days closure. Port, customs and economic activity, which had been idle for some time, has been resumed.

A group of people staged demonstrations in Mashhad today. These people, who had staged a march along city streets contrary to martial law regulations, were warned by security forces on Naderi avenue. At Naderi Square, where the security forces blocked their path to prevent demonstrations from spreading, the demonstrators staged a sit-in for nearly 1 hour. Following repeated warnings by the security forces to disperse and the demonstrators' adamant attitude for an hour, the security forces were forced to use tear gas and fire over the heads of the demonstrators to disperse them.

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IRAN

SHIRAZ GOVERNORATE DIRECTS OPENING OF SOME SCHOOLS

LD152106Y Tehran Domestic Service in Persian 1630 GMT 15 Nov 78 LD

[Text] Communique no 12 of the military governorate of Shiraz was issued today. It is as follows:

With the cooperation of the Department of Education and Training, all Shiraz' nursery and primary schools will reopen on Saturday, 18 November, and guidance schools on Sunday, 19 November. The military governorate of Shiraz asks parents to give the Shiraz Department of Education and Training their maximum cooperation to enable their children to continue their education. The military governorate will announce the resumption of higher school, Institute of Higher Education, and university classes later.

[Signed] Military governor of Shiraz and its suburbs, Maj Gen Abdorreza Esfandiari.

COMMERCE MINISTER: NO SHORTAGE OF BASIC COMMODITIES

LD151052Y Tehran Domestic Service in Persian 0430 GMT 15 Nov 78 LD

[Excerpt] The Commerce Ministry will refrain this year from importing citrus fruits from abroad--unless there is a shortage--and will buy citrus fruits from the northern parts of the country. In a telephone conversation this morning with our correspondent Khodayar Ghiasi, Commerce Minister Me'marzadeh announced this, saying that public necessities and goods needed by the people exist in sufficient quantity in warehouses, and there is no shortage in this area for the current year.

As regards rises in the price of some food, the commerce minister pointed out that none of the food has gone up in price; if a price increase is noted in some cases, it is due to the profiteering and opportunism of some sellers, and the Commerce Ministry will combat such profiteering by increasing the supply. Commerce Minister Me'marzadeh told our correspondent in the telephone conversation: [Begin recording]

We are not worried about the existence of sufficient stocks of basic commodities: public necessities and food. Fortunately, in accordance with this year's plan all these goods have been supplied from within the country--or such items as sugar have been procured from abroad--and we have sufficient goods in stock in warehouses, silos and cold storage. Fortunately, greater supplies of some commodities such as chicken and eggs have been obtained, and adequate amounts are in store. I think that in spite of the difficulties which we have experienced in these last few weeks, ample goods were, on the whole, in supply. Considerable food purchases have been made by families believing that they might not be able to obtain food. As you may have noticed, goods have been plentiful; fortunately, no shortage has been observed except a relative shortage of meat--that is, fresh meat--so frozen meat has been distributed. [end recording]

INVESTIGATIONS INTO CORRUPTION CHARGES PROCEEDING

LD152323Y Tehran Domestic Service in Persian 1630 GMT 15 Nov 78 LD

[Text] Investigation of the files of those arrested during the past 2 months on charges of corruption is being carried out expeditiously.

Mr Hashemi, Tehran's public prosecutor, who announced this today told our correspondent 'Abbas Mosallanezhad that the judges in charge of investigating these files, working around the clock, have gained access to a large amount of evidence and that work on completing these files is at present proceeding rapidly, to make them ready for appropriate courts. Mr Hashemi added: Within the next few days I hope to be able to speak more openly about the charges involved and about the identity of the persons involved.

The Tehran public prosecutor said: Instead of turning themselves over to judicial authorities and defending themselves in court, a number of those charged have unfortunately gone into hiding, thus making their offenses even more serious. Mr Hashemi added: If any of those charges have left the country, they must have done it illegally. We have ways of bringing them back home. More information in this regard will be made public in the next few days, he said in conclusion.

JUSTICE MINISTER APPOINTS MEMBERS OF JUDICIARY

LD152320Y Tehran Domestic Service in Persian 1630 GMT 15 Nov 78 LD

[Text] Justice Minister Mr Hoseyn Hajafi has made a number of new appointments in the judiciary. These include Mr Hoseynqoli Kyan, who is to be prosecutor of the Civil Servants' Court [Divan-e-Keyfar], and Mr Hushang Khoshkhu, who is to be assistant prosecutor of the Supreme Court. In addition, Mohammad Ra'uf Loqmani, Qasem Charmchi, Mehdi Behruz, Ahmad Mehr-'Ali, Amir Naser Homayuni, Hasan Karimipur and 'Abbas 'Amidi have been appointed Justice Ministry judiciary investigators and Civil Servants' Court investigating magistrates.

BANK ISSUES REGULATIONS ON FOREIGN CURRENCY TRANSACTIONS

LD151836Y Tehran Domestic Service in Persian 1530 GMT 15 Nov 78 LD

[Text] In a circular, the central bank has announced it is ready to purchase exporters' foreign currency earnings in excess of market requirements at central bank rates of exchange and in accordance with relevant regulations.

The central bank has also announced that the sale of foreign currency to Iranian students studying abroad will be made--on the production of a certificate of continued studied--at the rate of 70,000 rials per student per month.

The circular says authorized banks may sell up to 200,000 rials worth of foreign currency to travelers going abroad upon the production of a valid passport. Those accompanying the holder of the passport may also each be sold the same amount of foreign currency.

The sale of foreign currency or transfer of foreign currency for the cost of medical treatment for Iranian citizens abroad may be made upon the production of relevant medical bills.

BANGLADESH

PRC DELEGATION LED BY FOREIGN TRADE MINISTER ARRIVES

BK141055Y Dacca Domestic Service in English 0835 GMT 14 Nov 78 BK

[Text] A five-member Chinese delegation, headed by the minister for foreign trade, Mr Li Chiang, arrived in Dacca today on a 4-day visit to Bangladesh. The minister for commerce, Mr Saifur Rahman, and other senior officials received the Chinese leader at the airport.

In a brief statement at the airport, Mr Li Chiang said both Bangladesh and China are developing countries belonging to the third world. Both the countries shared the same (?luck) in the past and are now engaged in the common task of developing their economy. He said it is necessary to both the countries to learn, (?know) and help each other to develop further the friendly relations, cooperation and trade relations between them.

In reply to a question, Mr Li said there is ample scope of expansion of trade between Bangladesh and China. Exchange of experts and further discussions will definitely open up new avenues, he added.

Tomorrow morning the Chinese minister will have talks with the commerce minister, Mr Saifur Rahman, on bilateral trade between the two countries. Later, he will call on President Ziaur Rahman. Mr Li Chiang will also visit the Adamji jute mills and the Bangladesh Rice Research Institute at Jaidevpur.

Trade Talks Begin

BK151405Y Dacca Domestic Service in English 1205 GMT 15 Nov 78 BK

[Text] Formal talks between the visiting Chinese trade delegation and Bangladesh were held in Dacca this morning. The talks lasted over an hour (?an half). During the talks this morning, China indicated its willingness to diversify and increase imports from Bangladesh including more nontraditional items.

The Bangladesh side was led by the commerce minister, Mr Saifur Rahman, while the Chinese side by the minister for foreign trade, Mr Li Chiang.

A spokesman of the Commerce Ministry later told newsmen that the two sides reviewed the development of bilateral trade, both barter and cash transactions since the signing of the first trade protocol in 1977. China and Bangladesh are now through to their second trade protocol which envisages an exchange of goods worth 20 million U.S. dollars each way until December this year.

The spokesman said the Chinese side expressed satisfaction over the growth of trade between his country and Bangladesh. These talks also explored the new avenues for the expansion of trade between the two countries. Possibilities of Chinese participation in some export oriented industries in Bangladesh also came up for discussion. The Chinese investment in such industries might be paid back in the form of export of finished goods to China.

During the morning session, the Bangladesh commerce minister apprised Mr Li Chiang and other members of the Chinese delegation of the endeavors and achievements being made by the Bangladesh Government in the field of economic development.

The spokesman said the commerce minister impressed upon the Chinese minister that the Bangladesh Government has attached top priority to evolving an economic system that would help maintain the country's territorial integrity and strengthen state sovereignty.

The Chinese minister said that his government fully supports Bangladesh's efforts to preserve its territorial integrity and sovereignty. The Chinese delegation at the talks included, among others, Chinese Ambassador in Bangladesh Chuang Yen and Director of Chinese Foreign Trade Ministry (Chen). The Bangladesh delegation consisted of the commerce secretary, the foreign secretary and agriculture secretary.

Later in the afternoon, the Chinese delegation called on President Ziaur Rahman at Banga Bhavan. During the meeting, the president was apprised of the bilateral talks held between the delegations of the two countries. The delegation also discussed with the president measures for further expansion of trade and economic cooperation between China and Bangladesh.

INDIA

VAJPAYEE, MOCHTAR HOLD TALKS IN NEW DELHI

BKL41632Y Delhi Domestic Service in English 1530 GMT 14 Nov 78 BK

[Text] The foreign ministers of India and Indonesia have stressed the need to encourage trends in their respective region toward peace, stability and cooperation. In a preliminary exchange of views shortly after his arrival in New Delhi this afternoon, Indonesian Foreign Minister Dr Kusumaatmadja Mochtar and External Affairs Minister Vajpayee briefly discussed the situation in Vietnam, South Asia and the Southeast Asian region, as well as in West Asia and the problems before the UN General Assembly.

Dr Mochtar, who has come to Delhi from a trip to Vietnam, today gave Mr Vajpayee his impression of the situation in that country. Earlier, when he arrived at the airport he told newsmen in a reference to the conflict between Vietnam and Cambodia that the big powers must keep out of these conflicts as any involvement by any one power would attract the other. He also disclosed that the ASEAN countries have responded favorably to India's initiative for close cooperation with that organization. He said as chairman of the Planning Committee of ASEAN, he has asked the secretary general of the body to take up soon with the Indian Government the question of establishing greater economic and trade links. He also said that he will be discussing with his Indian counterparts matters of common concern and bilateral cooperation.

During his 3-day stay, Dr Kusumaatmadja Mochtar will have two rounds of officials talks with External Affairs Minister Vajpayee. He will also call on President Sanjeeva Reddy and meet Commerce Minister Dharma.

Mr Vajpayee is hosting a dinner tonight in his honor.

Further On Talks

BKL51613Y Delhi Domestic Service in English 1530 GMT 15 Nov 78 BK

[Text] Wide-ranging talks between the visiting Indonesian foreign minister, Dr Kusumaatmadja Mochtar, and the external affairs minister, Mr Vajpayee, in New Delhi today revealed close similarity of views of the two countries on international and bilateral issues. The subjects covered include the situation in various parts of Asia, the north-south dialog, West Asia and the freedom struggle in southern Africa.

In the field of bilateral relations, the two ministers reviewed matters for expansion of trade and setting up of joint ventures which are at present under negotiations. The two leaders also gave each other an overall assessment of the happenings in their respective regions.

Mr Vajpayee accepted Dr Mochtar's invitation to visit Indonesia.

Dr Mochtar also had an hour-long discussion on trade matters with the commerce minister, Mr Dharia. Both ministers expressed satisfaction that the new trade agreement signed between the two countries in Jakarta a few months ago has now been formally ratified.

DESAI: SIKH MINISTERS TO WITHDRAW THEIR RESIGNATIONS

BK151612Y Delhi Domestic Service in English 1530 GMT 15 Nov 78 BK

[Text] The prime minister has said that the two Union ministers belonging to the Akali Dal, Mr Surjit Singh Barnala and Mr Dhanna Singh Gulshan, will withdraw their resignations. He said this at a news conference in Panaji today. Replying to a question on differences between the Janata Party and the Akali Dal, Mr Morarji Desai said that there is no question of patching up. It is only a question of reaching understanding and people will come to know about it very soon.

The prime minister strongly defended the imposition of presidential rule in Mizoram and Pondicherry and said that the Center has to step in when there is a breakdown of government and unscrupulous maneuvering. However, elections will be held in these two union territories in due course, he added.

Answering another question, the prime minister said that Mrs Gandhi's victory in Chikmagalur will not save her from the consequences of her misdeeds. He said cases against her are being processed. He also said no byelection is ever an indication of future elections.

PAKISTAN

HAQ RETURNS FROM HAJJ, SAUDI ARABIA VISIT

BK141535Y Karachi Domestic Service in Urdu 1500 GMT 14 Nov 78 BK

[Excerpt] President General Mohammad Ziaul Haq has said that he held very useful talks with Saudi Crown Prince Fahd during his stay in Saudi Arabia. Talking to newsmen at Islamabad airport this afternoon on his return from Saudi Arabia, he said: We exchanged views on matters of mutual interest and bilateral relations. He said the crown prince has sincere feelings of affection for Pakistan.

Answering a question, he said that he also met with the Palestinian leader, Yasir 'Arafat, and exchanged views with him on various issues including the Camp David agreement. He said that Pakistan's stand on the Middle East was commended because Pakistan's stand on the matter is similar to that of the Arabs.

The president said he met with many other Moslem leaders including the vice president of Sudan, a Turkish opposition leader and the deputy secretary of (Rabte Allame Islami). All of them stressed greater solidarity among Moslem states so that all issues facing the Moslem world, including the return of Jerusalem, could be solved.

HAQ ON NUCLEAR PROGRAM, RELATIONS WITH INDIA

BK140833Y Karachi Domestic Service in English 1700 GMT 13 Nov 78 BK

[Text] President General Mohammad Ziaul Haq has reaffirmed that his government is honor-bound to hold elections next year. In an interview with the Saudi English daily, the ARAB NEWS, he said the elections will be held under the auspices of the judiciary and the armed forces and power transferred to the elected representatives of the people.

In reply to a question, he said the armed forces would have no role to play thereafter, unless political leaders made some constitutional provision for it.

Asked about Pakistan's nuclear program, the president emphatically stated that the manufacture of nuclear weapons had never been the aim of Pakistan. Pakistan only wanted to acquire the nuclear technology for peaceful purposes and had offered all the conceivable guarantees and safeguards. He asserted that Pakistan would continue to strive for the acquisition of nuclear technology as it was an essential source of energy for its future development program.

Referring to relations with India, President General Mohammad Ziaul Haq said great progress had been made in normalizing relations with that country. But the Kashmir issue continues to be the main thorn in the India-Pakistan relations. He said all that Pakistan wanted was that the United Nations resolutions on Kashmir should be implemented in letter and spirit.

He described Pakistan's relations with Afghanistan as satisfactory and very cordial and said I went out of my way to meet President Nur Mohammad Taraki in Kabul and extended to him the hand of friendship. He said the further improvement of Pakistan-Afghanistan relations depended upon how Kabul would reciprocate Pakistan's gesture of goodwill and friendship.

Answering another question, President Mohammad Ziaul Haq said Pakistan would welcome it if the Islamic Secretariat decided to hold the Islamic foreign ministers conference in Pakistan.

About liberating Jerusalem through jihad [holy war], the president said jihad could be waged only after making full preparations, otherwise jihad as an empty slogan would not carry them far. Moslem countries had first to organize themselves economically and militarily and forge unity among themselves before they could embark upon jihad.

The president described the relations between Pakistan and Saudi Arabia as cordial and said these were without [word indistinct] in bilateral relations. He again thanked King Khalid and Crown Prince Fahd ibn 'Abd al-'Aziz for making remarkable arrangements for the hajj pilgrim.

On Nuclear Weapons Manufacture

LD150917Y London ASH-SHARQ AL-AWSAT in Arabic 14 Nov 78 pp 1, 2 LD

[Correspondent Muhammad ash-Shibani interview with Pakistan Chief Martial Law Administrator Ziaul Haq in Jidda--date not given]

[Text] Jidda-Pakistan President Ziaul Haq has affirmed that his government is committed to holding general elections next year and that the army and the judiciary will hold the necessary contacts and make arrangements for such elections.

In an exclusive interview with ASH-SHARQ AL-AWSAT, General Ziaul Haq promised that these elections will be just and honest, and that whoever wins them will have the right to form a government.

He said that after the elections the army will withdraw but, he added, before withdrawing the army must secure a constitutional role in administering the government. He did not, however, define this role.

Replying to a question regarding the fate of former Prime Minister Bhutto, now facing a death sentence and awaiting a reply to a clemency appeal, General Ziaul Haq said that there is a free judiciary in Pakistan. We will not comment on a case on which the judiciary has not yet decided, he said. The court decision will determine Bhutto's fate, he added.

It will be recalled that Bhutto is accused of murdering a politician.

Ziaul Haq said that it was the son of the murdered man who brought the charges and asked for his trial. The military regime has nothing to do with it, he said.

Ziaul Haq declined to say when a decision will be reached on Bhutto's appeal for clemency.

Asked if Pakistan has abandoned its plans to produce nuclear weapons, the Pakistan president said that Pakistan had no plans to produce a nuclear bomb. What we want is nuclear technology for peaceful purposes. Pakistan would like to obtain a plant for reprocessing nuclear fuel, to supply nuclear reactors. He said that this was Pakistan's present aim and that Pakistan has offered all the necessary security safeguards for which France could ask. He said: It is not our aim to manufacture a nuclear bomb.

Speaking about his country's relations with Afghanistan, General Ziaul Haq said that they are extremely cordial. He said that he has visited Afghanistan personally, held talks with President Taraki and extended a friendly hand to him. He said that this government is looking forward to cordial relations with Afghanistan, since both countries are Moslem and there is no reason for not having cordial relations between the two countries.

Asked about the internal situation in Iran, General Ziaul Haq considered it unwise to comment on internal disturbances in another country since this was a purely domestic matter. He expressed the hope that the problem will be solved peacefully and amicably. He urged the Iranian people to unite and to work in the interest of their own country. He said that there are several powers working against the Iranian people and government and that they must therefore be able to define and confront such powers.

When asked whether he supports the shah of Iran and his present government, he only said: We consider this an internal issue.

Regarding his country's relations with India, he said that his government is exerting greater efforts to normalize relations with India and that much has been achieved in this connection. With regard to Kashmir, he said: We demand the implementation of UN resolutions. He also called for the people of Kashmir to be granted the right to self-determination.

Regarding the call for a jihad, General Ziaul Haq said that, before declaring a holy war to recover Jerusalem, we and the Islamic world must be prepared for it. In other words, every Islamic country must call for a jihad and strengthen itself economically, militarily and socially.

Regarding the Camp David agreements, he said that his country's attitude is similar to that of the Arab countries. He underlined two points which the Camp David agreements ignored, namely the liberation of Jerusalem and the Palestinian people's right to a national homeland.

Without the achievement of these two basic points, he emphasized, any talks between the Arabs and the Israelis will be futile because they will not achieve a lasting peace.

Referring to relations between Pakistan and the PLO, he said that they are always excellent. The PLO has an office in Pakistan which enjoys diplomatic privileges like any embassy. There is also a large number of Palestinian students in Pakistan on Pakistani or Arab scholarships.

He reaffirmed his country's support for the Palestinian cause and said that his country will continue to give such support.

Concluding the interview, General Ziaul Haq expressed his country's willingness to host the Islamic foreign ministers' conference in the event that such a conference is proposed to discuss the Jerusalem question following the Camp David agreements. We would welcome it, he said in Arabic.

UAE PRESIDENT ARRIVES IN KARACHI

BK141114Y Karachi Domestic Service in English 1005 GMT 14 Nov 78 BK

[Text] The president of the UAE, Shaykh Zayid ibn Sultan Al Nuhayyan, arrived in Karachi today on a private visit to Pakistan. He was received at the airport by the Sind governor, Lt Gen S.M. Abbasi.

DEFENSE MINISTER: MASS GRAVES FROM BHUTTO ERA FOUND

BK140926Y Karachi Domestic Service in English 1700 GMT 13 Nov 78 BK

[Text] The federal defense minister, Mir Ali Ahmed Khan Talpur, has said the armed forces are strong enough to defend the country against internal subversion and external aggression. Talking to newsmen in Karachi today after his tour of Sind, he said measures were being taken to make the armed forces a formidable deterrent force. At the same time, Pakistan's foreign policy was to have friendship with all, particularly neighboring countries. He said the Sind Regiment would soon be set up and the government would encourage more and more people to serve in the armed forces. He said he will submit his report to the president about the problems being faced by the people of province.

He called upon officials to change their attitude toward the people and warned that no slackness on their part would be tolerated. He said, during the previous regime, big landlords had grabbed the agricultural land of small thekedars [contractors] and committed excesses on them. The defense minister said, wherever he went during his tour of the interior of Sind, he heard slogans of "President General Mohammad Ziaul Haq zindabad" [long live President Ziaul Haq]. His visit had created confidence in the minds of the people who had a bitter feeling of deprivation.

He said as a defense minister he was endeavoring to further strengthen good will between the armed forces and the people. He disclosed the presence of numerous mass graves in Sind containing bodies of those killed in the fake police encounters during the previous regime. He appealed to the relatives of those killed in such encounters to personally contact him so that justice could be done to them.

PRC'S ULANFU MAKES STOPOVER IN KARACHI

BK141112Y Karachi Domestic Service in English 1005 GMT 14 Nov 78 BK

[Text] Vice chairman of the Chinese National People's Congress Planning Committee Ulanfu made a brief stopover in Karachi today on his way from Peking to Cairo. He was received and seen off at the airport, among others, by the Sind governor, Lt Gen S.M. Abbasi.

SRI LANKA

CUBAN FOREIGN MINISTER MALMIERCA ARRIVES FOR TALKS

BK141118Y Colombo International Service in English 1045 GMT 14 Nov 78 BK

[Text] Cuban Foreign Minister Malmierca arrived in Sri Lanka this morning on a 4-day official visit. He was welcomed at the Katunayake airport by Minister of Foreign Affairs Hameed. The two foreign ministers will have official talks this afternoon. Next year's nonaligned summit in Havana will feature prominently in the discussions.

The visiting foreign minister is also scheduled to call on the president and the prime minister and visit the Mahaveli (?development) project at (Korugulla) during his stay here.

Talks Held

BK151442Y Colombo International Service in English 1045 GMT 15 Nov 78 BK

[Text] Cuban Foreign Minister Isidoro Malmierca Peoli, now on a 4-day official visit to Sri Lanka, yesterday held talks with Minister of Foreign Affairs A.C.S. Hameed in Colombo.

Mr Malmierca briefed Mr Hameed of arrangements now being made by the Cuban Government to host a nonaligned summit in Havana next year. Invitations for the summit will go out in March next year to all member countries of the nonaligned movement. The first invitation will be handed over to Sri Lanka in her capacity as the current chairman of the nonaligned group.

Mr Hameed referred to the nonaligned governments in general and discussed problems arising from bilateral conflict among member nations. He also referred to the fact that some member countries appear to be taking their problems outside the United Nations for settlement.

SLFP ADOPTS NEW CONSTITUTION, ELECTS BANDARANAIKE

BK120844Y Hong Kong AFP in English 0829 GMT 12 Nov 78 BK

[Text] Colombo, Nov 12 (AFP)--The Sri Lanka Freedom Party (SLFP) of Mrs Sirimavo Bandaranaike last night adopted a new constitution and elected her as the "interim president" with sweeping powers to administer party affairs for the next 9 months.

The provisions of the new constitution which was approved unanimously by the party's Executive Committee will come into force within the next 9 months.

The new constitution replaces the old one in force since the party's inception in 1951 and comes in the wake of its debacle in the last year's general elections where it could only win a meagre eight seats in the 168-member parliament.

An SLFP spokesman said that the stress in the new constitution was grassroot level participation of the membership of the party in the formulation of its policies on all major issues. The new constitution envisages setting up of at least one party branch in each village with a minimum membership of thirty.

An elected Executive Council will be the policy making body of the party; the council will in turn elect a Politbureau as the chief executive organ of the party.

All office bearers of the party except Mrs Bandaranaike have become defunct and present party organisations at all levels stand dissolved.

Elections to the several organs and posts proposed under the new constitution will take place within the next 9 months.

Mrs Bandaranaike will nominate a 15-member special ad hoc body to administer party affairs and take policy decisions during the interim period.

The new SLFP constitution reaffirms the party's political goal as the establishment of a "socialist democracy" in the island with the parliament as the supreme instrument of state power. Addressing the Executive Committee last night, Mrs Bandaranaike said that the time was ripe for positive political agitation and that she outline the course of action soon.

Bandaranaike Activities Probed

BKL50935Y Hong Kong AFP in English 0755 GMT 15 Nov 78 BK

[Text] Colombo, Nov 15 (AFP)--President J.R. Jayewardene, speaking for the first time last night about an appeal court order prohibiting a presidential commission from inquiring into misdeeds of former Prime Minister Mrs Sirimavo Bandaranaike, expressed his intention to continue the probe by amending the law.

Mr Jayewardene said Sri Lanka had an independent judiciary and his government accepted last Friday's [10 November] verdict which pointed out shortcomings in the law under which the commission had been appointed.

But, he said the legislature, which passed the law, was sovereign and the relevant act would be suitably amended to continue with the investigation.

The commission, which began public hearings in August, has not held sittings since last Friday following the appeal court's order.

An application by the attorney general to appeal to the Supreme Court against the verdict has been allowed.

The appeal court issued the order prohibiting the commission from inquiring into alleged abuse of power by Mrs Bandaranaike following an application made by her.

Mrs Bandaranaike told the court through her lawyer that the commission had no authority to inquire into her conduct when she was prime minister because among other reasons the law under which the commission was appointed had not been made retroactive.

The commission was appointed by President Jayewardene in March to inquire into alleged abuse of power by Mrs Bandaranaike, her ministers and officials during her 17-year rule.

Mrs Bandaranaike's government which came into power in 1960 was ousted in general elections last year when Mr Jayewardene's United National Party scored a resounding victory.

Mr Jayewardene speaking at a public meeting last night said the commission had been appointed following a request made by Mrs Bandaranaike herself in Parliament when the agriculture minister made some references to alleged fraudulent transactions she had made to beat the land reform laws.

He said it was not the government's intention to take revenge on anybody. Its purpose, he said, was to inquire into misdeeds of the previous government including abuses committed under emergency regulations, interference in the judiciary and fraudulent land transactions.

Mr Jayewardene said such commissions were necessary to prevent those who aspired to serve the people from becoming corrupt. He said "it would be difficult for a democracy to function properly if people who take to politics and pledge to serve the people think that they can act as though everything were their private property."

Such commissions, he said, were necessary not only to inquire into activities of the previous government but even of the present and future governments.

The commission, comprising three senior judges, had already issued notices on two former ministers, a former Supreme Court judge, the former Colombo mayor, and three senior government officials, among others, to reply to allegations made against them, when the court issued the order prohibiting it from inquiring into Mrs Bandaranaike's conduct.

Probe Law To Be Amended

BK151438Y Colombo International Service in English 1045 GMT 15 Nov 78 BK

[Text] The president yesterday said the government accepted the decision of the Appeal Court with regard to the mandate of the special presidential commission and was, in fact, grateful to the judiciary for pinpointing loopholes in the law. He said the matter would be rectified with amending legislation to be presented in Parliament shortly to enable the commission to proceed with its inquiry.

Mr Jayewardene, who was speaking at a reception accorded to him by the Colombo's (?flat dwellers), recalled that it was the former prime minister herself who had suggested a probe with some land deals of hers that had come up in Parliament. But now she was challenging its authority before the court.

Mr Jayewardene said inquiries of this nature were necessary to uncover past misdeeds and purify the democratic base. The commission was not a personal vendetta against anybody. In fact (?if there were) acts of commission or omission on the part of the present government, he would not hesitate to appoint a similar commission to probe them.

BRIEFS

PAKISTAN OIL NEEDS--The federal minister for water, power and natural resources, Choudhry Rehmat Elahi, expressed the hope that Pakistan will be able to meet 50 percent of its oil requirements from domestic sources by 1980-81. In an interview with the PPI [PAKISTAN PRESS INTERNATIONAL] in Lahore, he said that the country's oil prospects are bright. [Karachi Overseas Service in Urdu 0800 GMT 12 Nov 78 BK]

MEDIUM OF INSTRUCTION--The government has issued instructions to all government English medium schools to switch over to Urdu as the medium of instruction. This was stated by the Federal Education Minister, Mr Mohammad Ali Khan, at Karachi on 10 November. He said the new education policy is based on Islam and the ideology of Pakistan. [Karachi Domestic Service in English 1005 GMT 11 Nov 78 BK]